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Load lines for certain vessels

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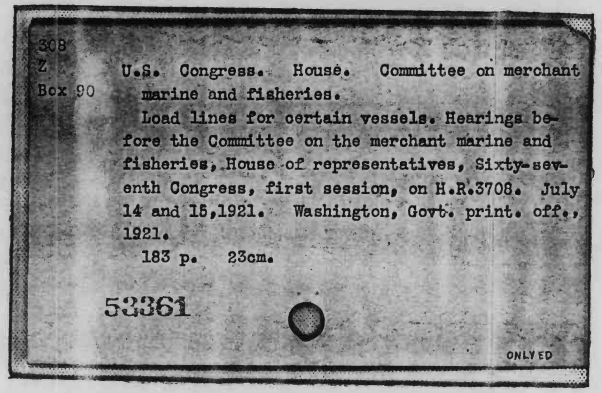
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LOAD LINES FOR CERTAIN VESSELS.

HEARINGS

BEFORE THE

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

HOUSE OF REPRESENTATIVES

SIXTY-SEVENTH CONGRESS
FIRST SESSION

ON

H. R. 3708

JULY 14 AND 15, 1921

WASHINGTON
GOVERNMENT PRINTING OFFICE
1921

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COMMITTEE ON THE MERCHANT MARINE AND FISHERIES.

HOUSE OF REPRESENTATIVES.

SIXTY-SEVENTH CONGRESS.

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LOAD LINES FOR CERTAIN VESSELS.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES,
HOUSE OF REPRESENTATIVES,
Thursday, July 14, 1921.

The committee met at 10.30 o'clock a. m., Hon. George W. Edmonds presiding.

Appearances: Hon. E. T. Chamberlain, commissioner, Bureau of Navigation; Mr. Joseph A. Gaines, legal department, United States Shipping Board; Mr. G. C. Morris, 232 Walnut Street, Philadelphia, Pa., representing the Insurance Co. of North America and the Alliance Insurance Co. of Philadelphia; Mr. S. D. McComb, New York, N. Y., representing the American Insurance Co. of Newark and other marine insurance companies; Mr. William D. Winter, New York, N. Y., third vice president of the Atlantic Mutual Insurance Co.; Mr. William Francis Gibbs, New York, N. Y., chairman of the technical committee of the American Steamship Owners' Association and a naval architect and marine engineer; Mr. Fields S. Pendletion, 130 Pearl Street, New York, N. Y., president of the Atlantic Carriers Association; Mr. Arthur H. Jones, Boston, Mass., representing Crowell & Thurlow; Mr. A. E. R. Schneider, Cleveland, Ohio, representing the Cleveland Cliffs Iron Co.; Capt. R. W. England, Cleveland, Ohio, and Mr. Harvey D. Goulder, Cleveland, Ohio, representing the Lake Carriers' Association; Mr. F. L. Leckie, Cleveland, Ohio, representing the Great Lakes Sand & Gravel Producers' Association.

Mr. EDMONDS. Gentlemen, the purpose of the meeting to-day is to have hearings on H. R. 3708, a bill to establish load lines for certain vessels. The interests, I believe, are here, and I think we would be glad to hear those who are in favor of the proposed legislation first. I think it would be fair for Mr. Chamberlain, of the department, to give his ideas. I believe this bill partially originated in the department when Mr. Alexander was chairman of the committee. So Mr. Chamberlain will go ahead and make his statement, and then the rest of you gentlemen will hear the reasons why the department feels we ought to have a load line.

The bill under consideration reads as follows:

[H. R. 3708, Sixty-seventh Congress, first session.]

A BILL To establish load lines for certain vessels.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this act shall apply to the following vessels:

(a) Cargo-carrying vessels of five hundred gross tons or over loading at any port or place within the United States or its possessions for a foreign voyage by sea.

(b) Cargo-carrying vessels of the United States of five hundred gross tons or over loading at any foreign port or place for a voyage by sea.

(c) Other vessels loading at any port or place in the United States or its possessions, whenever, in the judgment of the Secretary of Commerce, the safety of such vessels and their crews requires the establishment of a legal load line.

SEC. 2. That the Secretary of Commerce is hereby authorized and directed in respect of the vessels defined in section 1 (a) and (b) of this act and is hereby authorized in respect of the vessels defined in section 1 (c) of this act to establish by regulations from time to time the load water lines and marks thereof indicating the maximum depth to which such vessels may safely be loaded. Such regulations shall have the force of law.

SEC. 3. That it shall be the duty of the owner and of the master of every vessel subject to this act and to the regulations established thereunder to cause the load line or lines so established to be permanently and conspicuously marked upon the vessel in such manner as the Secretary of Commerce shall direct, and to keep the same so marked. The Secretary of Commerce shall appoint the American Bureau of Shipping, or such other corporation or association for the survey or registry of shipping as may be selected by him, to determine whether the position and manner of marking on such vessels the load line or lines so established are in accordance with the provisions of this act and of the regulations established thereunder: *Provided, however*, That, at the request of the shipowner, the Secretary of Commerce may appoint, for the purpose aforesaid, any other corporation or association for the survey or registry of shipping which the shipowner may select and the Secretary of Commerce approve; or the Secretary of Commerce may appoint for said purpose any officer of the Government, who shall perform such services as may be directed by the Secretary of Commerce. The Secretary of Commerce may, in his discretion, revoke any appointment made pursuant to this section. Such corporation, association, or officer shall, upon approving the position and manner of marking such load line or lines, issue a certificate in a form to be prescribed by the Secretary of Commerce, that the same is in accordnace with the provisions of this act and of the regulations established thereunder, and shall deliver a copy thereof to the master of the vessel. It shall be unlawful for any vessel subject to this act and to said regulations to depart from her loading port or place without bearing such mark or marks, approved and certified by such corporation, association, or officer, and without having on board a copy of said certificate.

SEC. 4. That it shall be unlawful for any vessel subject to this Act and to the regulations established thereunder to be so loaded as to submerge, in salt water, the load line or lines marked pursuant to this Act and to the regulations established thereunder, applicable to her voyage; or so as to submerge under like conditions the point where such load line or lines ought to be marked pursuant to the provisions of this Act and of the regulations established thereunder; or so as in any manner to violate the said regulations.

SEC. 5. That whenever the Secretary of Commerce shall certify that the laws and regulations in force in any foreign country relating to load lines are equally effective with the regulations established under this Act, the Secretary of Commerce may direct, on proof that a vessel of that country has complied with such foreign laws and regulations, that such vessel and her master and owner shall be exempted from compliance with the provisions of this Act, except as hereinafter provided: *Provided*, That this section shall not apply to the vessels of any foreign country which does not similarly recognize the load lines established under this Act and the regulations made thereunder.

SEC. 6. That it shall be the duty of the master of every vessel subject to this Act and to the regulations established thereunder and of every foreign vessel exempted pursuant to section 5 of this Act, before departing from her loading port or place for a voyage by sea, to enter in the official log book of such vessel (if any) a statement of the position of the load-line mark applicable to the voyage in question with reference to the actual water line at the time of departing from port, as nearly as the same can be ascertained.

SEC. 7. That if any collector of customs has reason to believe, on complaint or otherwise, that a vessel subject to this Act and to the regulations established thereunder is about to proceed to sea from a port in the United States or its possessions within his district, when loaded in violation of section 4 of this Act; or that any vessel exempted pursuant to section 5 of this Act is about to proceed to sea from such port, when loaded in violation of the laws and regulations of her country with respect to load line, he may by written order served on the master or officer in charge of such vessel detain her provisionally for the purpose of being surveyed. The collector shall then serve on the master a written statement of the grounds of her detention and shall appoint three disinterested surveyors to examine the vessel and her loading and to report to him: whereupon the said collector may release or may, by written order served on the master or officer in charge of such vessel, detain the vessel until she has been reloaded in whole or in part so as to conform to section 4 of this Act, or, in case of a vessel exempted pursuant to section 5 of this Act, so as to conform to the laws and regulations of her own country with respect to load line. If the vessel be ordered detained, the master may, within five days appeal to the Secretary of Commerce, who may, if he desires, order a further survey and may affirm, set aside, or modify the order of the collector. Clearance shall be refused to any vesselwhich shall have been ordered detained.

SEC. 8. (a) That if the owner or master of any vessel subject to this Act and to the regulations established thereunder shall permit her to depart from her loading port or place without having complied with the provisions of section 3 of this Act, he shall for each offense be liable to the United States in a penalty of $500. If the owner or master of any vessel exempted pursuant to section 5 of this Act shall permit her to depart from her loading port or place without having the load line or lines required by the laws and regulations of the country to which she belongs marked upon her as required by said laws and regulations, he shall for each offense be liable to the United States in a penalty of $500. The Secretary of Commerce may, in his discretion, remit or mitigate any penalty imposed under this paragraph.

(b) If the master of any vessel subject to this Act and to the regulations established thereunder, or of any foreign vessel exempted pursuant to section 5 of this Act, shall fail, before departing from her loading port or place, to enter in the official log book of such vessel (if any) the statement required by section 6 of this Act, he shall for each offense be liable to the United States in a penalty of $100. The Secretary of Commerce may in his discretion remit or mitigate any penalty imposed under this paragraph.

(c) If any person shall knowingly permit or cause or attempt to cause any vessel subject to this Act and to the regulations established thereunder to depart, or if, being the owner, manager, agent, or master of such vessel he shall fail to take reasonable care to prevent her from departing from her loading port or place when loaded in violation of section 4 of this Act; or if any person shall knowingly permit or cause or attempt to cause a foreign vessel exempted pursuant to section 5 of this Act to depart, or if, being the owner, manager, agent, or master of such vessel he shall fail to take reasonable care to prevent her from departing from her loading port or place when loaded more deeply than permitted by the laws and regulations of the country to which she belongs, he shall in respect of each offense be guilty of a misdemeanor, unless her going to sea in such a condition was, under the circumstances, reasonable and justifiable; and shall be punished by a fine not to exceed $1,000 or by imprisonment not to exceed one year or both.

(d) If the master of any vessel or any other person shall knowingly permit or cause or attempt to cause any vessel to depart from any port or place in the United States or its possessions in violation of any order of detention made pursuant to section 7 of this Act, he shall in respect of each offense be guilty of a misdemeanor and shall be punished by a fine not to exceed $500 or by imprisonment not to exceed three months, or both.

(e) If any person shall conceal, remove, alter, deface, or obliterate, or shall suffer any person under his control to conceal, remove, alter, deface, or obliterate any mark or marks placed on a vessel pursuant to this Act or to the regulations established thereunder, except in the event of lawful change of said marks, or to prevent capture by an enemy, he shall, in respect of each offense, be guilty of a misdemeanor and shall be punished by a fine not to exceed $1,000, or by imprisonment not to exceed one year, or both.

(f) Whenever the owner, manager, agent, or master of a vessel shall become subject to a fine or penalty by way of money payment pursuant to the provisions of this Act, the vessel shall also be liable therefor, and may be seized and proceeded against in the district court of the United States in any district in which such vessel shall be found.

SEC. 9. That this Act shall take effect six months after the date of its approval.

STATEMENT OF MR. E. T. CHAMBERLAIN, COMMISSIONER, BUREAU OF NAVIGATION.

Mr. CHAMBERLAIN. Mr. Chairman, I will try to make my statement as brief as possible, for two reasons: In the first place, the ground was traversed before this committee quite thoroughly three years ago; and in the second place, there are so many gentlemen from out of town who are here to be heard that I do not want to take the time of the committee, and perhaps, I can come along again.

I may say at this time that I hope it will be possible for the committee to continue the hearings to-morrow morning for this reason: As you will recall, when the subject of the load line was first brought up as a live, and indeed, as a pressing issue, the Secretary of Commerce appointed a voluntary technical committee of gentlemen who were experts in various lines to advise the department on the subject and to prepare a report showing both the reasons for this legislation and the most feasible way of carrying it out, assuming that it should be passed. That committee has been in session in New York for three days; that is, to-day will be the third day. They have been in session off and on at various times since their appointment on September 27, 1916. If you have no objection, I would like to insert the names of the committee in the record here. The chairman is Rear Admiral D. W. Taylor, of the Construction Bureau of the Navy Department.

COMMITTEE ON BULKHEADS AND LOAD LINES.

GENERAL COMMITTEE.

Rear Admiral D. W. Taylor (CC), United States Navy, chairman, Navy Department.
David Arnott, deputy chief surveyor, American Bureau of Shipping.
Hendon Chubb, marine insurance and underwriter, New York.
T. M. Cornbrooks, Sparrows Point, Md., chief engineer and naval architect, Bethlehem Steel Co.'s Maryland shipbuilding plant.
W. A. Dobson, naval architect, Philadelphia, Pa., Wm. Cramp & Sons' Ship & Engine Building Co.
Prof. W. F. Durand, Stanford University, Calif., professor of mechanical engineering.
Wm. Gatewood, Newport News, Va., naval architect, Newport News Shipbuilding & Dry Dock Co.
H. N. Herriman, Cleveland, Ohio, manager Great Lakes department American Bureau of Shipping.
Prof. G. R. McDermott, Cornell University, N. Y., professor marine construction.
O. J. Olson, 1 Drumm Street, San Francisco, Calif.
Walter Wood Parsons, vice president Atlantic Mutual Insurance Co., 51 Wall Street, New York City.
J. W. Powell, Quincy, Mass., president Fore River Shipbuilding Co.
H. H. Raymond, New York manager Clyde & Mallory Steamship Co.
Prof. H. C. Sadler, Ann Arbor, Mich., professor of naval architecture, University of Michigan.
Alfred Gilbert Smith, president New York & Cuba Mail Steamship Co.
Stevenson Taylor of New York, president of the American Bureau of Shipping and of the American Society of Naval Architects and Marine Engineers.

These gentlemen, or most of them, I take it, have been in session in New York for the last two days, and I expect that a representative number of them will be here to-morrow morning, and they wanted to know if they could be heard.

Mr. EDMONDS. Was this bill drawn up as a result of this committee's action?

Mr. CHAMBERLAIN. I could not say that. This is substantially the bill of two years ago. I think it is almost verbatim.

Mr. SCOTT. It is almost verbatim, the same as the bill that was originally introduced but not as reported to the House, because I notice in so far as the Great Lakes are concerned, you have not made the extension of two years which was carried in that bill.

Mr. CHAMBERLAIN. I think you are quite right, but that is a detail.

Mr. SCOTT. I would not be willing, Mr. Chairman, to admit that that was a detail.

Mr. CHAMBERLAIN. It is a detail of application. It is a matter of time, and I speak of it as a detail for this reason: I think if you get to the Great Lakes in two years you will be doing pretty well in view of the physical work to be done.

Mr. WHITE. There are 16 men on this committee.

Mr. CHAMBERLAIN. I have forgotten the exact number, but I think about that many.

Mr. WHITE. Who is there on the committee representing operators of ships in foreign trade or in any trade?

Mr. CHAMBERLAIN. I would say that Mr. H. H. Raymond, who is president of the American Steamship Owners Association, is fairly representative.

Mr. WHITE. I have not had a chance to look over the names.

Mr. CHAMBERLAIN. And also Mr. Alfred Gilbert Smith, who is president of the New York & Cuba Mail Steamship Co. The effort was made by Secretary Redfield, to select a committee as fairly representative of all the interests that would be involved as you could make it, and still have a committee that would not be so large that it would never meet, and also to make it comprehensive. You will see that all parts of the country are included. There are the American Bureau of Shipping people included for obvious reasons, the marine underwriters, the naval architects, those who are in practical control in the shipyards in matters of design and everything of that kind, and the highly technical men like the professors of naval architecture in the colleges, the shipbuilders and the ship operators, such as Mr. Raymond and Mr. Smith.

Mr. WHITE. Was there anybody representing the Shipping Board?

Mr. CHAMBERLAIN. You understand that this committee was appointed in September, 1916.

Mr. WHITE. But I understood that the committee had been in session within the last day or two.

Mr. CHAMBERLAIN. In New York, yes. I do not know whether they put somebody from the Shipping Board on or not. I believe somebody from the Shipping Board was attending informally, but I do not think anybody was ever appointed, and I do not think they asked to have anybody appointed.

Mr. EDMONDS. They might have been represented through Mr. Gatewood.

Mr. GAINES. That may have been, but I have not been apprised of anybody representing the Shipping Board or that the Shipping Board was even invited to participate in the conference.

Mr. CHAMBERLAIN. But, Mr. Chairman, you will recall that the Shipping Board was up here in advocacy of this bill.

Mr. EDMONDS. Oh, yes.

Mr. WHITE. I was referring to what took place at this conference meeting.

Mr. CHAMBERLAIN. Really, I could not say as to that. I had supposed there was somebody there informally.

Mr. MCCOMB. Mr. Chairman, the Shipping Board have had a representative.

Mr. EDMONDS. Yes; they were represented at the hearings two years ago.

Mr. GAINES. Mr. Chairman, I have read the hearings of two years ago where they were represented, but the question, as I understood

it, was whether they had been invited to participate in the particular conference referred to here, and if they have been, I have not heard of it.

Mr. EDMONDS. The Shipping Board comes before this committee just the same as anybody else, as a steamship operator in this connection, and I presume the Shipping Board would be very glad not to have a load line so that they could load in the way that would make them the most money, either by insurance or otherwise.

Mr. GAINES. We simply do not want the American law more drastic than the foreign laws. That is our position precisely.

Mr. EDMONDS. Mr. Chamberlain, go ahead and tell us the necessity for the bill.

Mr. CHAMERLAIN. The bill is based on the belief, which, it seems to me, is a fairly reasonable one, that there is such a possibility as loading a ship so deeply that it is not safe to operate it; not safe, in the first place, for the crew on board—and please bear in mind that this is a cargo-carrying proposition pure and simple, it does not affect the passenger liners—that there is an element of danger to the crew, that there is a considerable element of danger and risk of loss to the ship, and also to the cargo that is carried thereon. That being so, it is also based on the theory that the terms of equal competition require that if one man, out of conscience or prudence or money risk, deems it fit to load his vessel only to a certain extent, other men in the same business, with the same kind of ship, to insure equal competition in business, should not load any more; in other words, that a man who is not particularly careful about either life or property should not, in order to make a little more money, load a ship beyond the line of safety when the scrupulous men load it only to the line of safety. In rough outline, that is the reason for the bill. It is very similar to the principle that you are all familiar with, where the freight cars have marks on them indicating that they can carry so many thousand pounds, and where elevators are inspected and have marks that they can carry so many passengers, or so much weight; in fact, an elementary proposition of that kind I do not think needs much discussion.

The question, however, is a perfectly natural one, should not reliance be placed entirely on the private shipowner to secure this result? So far as that is concerned, of course, the whole theory of Federal regulation is that to secure both uniformity and to meet elements of danger, the Federal Government, to a limited extent, should intervene and take charge of matters of this kind.

Mr. SCOTT. May I ask a question right there? Do the Canadian ships operating on the Great Lakes have a load line?

Mr. CHAMBERLAIN. I do not think so.

Mr. SCOTT. I never knew that they had a load line.

Mr. PENDLETON. I can answer that by saying they have not, because I have a letter here from the Ministry of Marine.

Mr. EDMONDS. Have they a load line on their ocean ships?

Mr. PENDLETON. No, sir.

Mr. CHAMBERLAIN. None whatever?

Mr. PENDLETON. No, sir.

Mr. EDMONDS. Do you want to put that letter in as a part of your testimony or do you want to put it in the record now?

Mr. PENDLETON. I do not want to interfere with Mr. Chamberlain because I am very desirous of ascertaining some reason why we should have this law, so I will put that letter in later.

Mr. EDMONDS. You will let Mr. Chamberlain see it before you go. May I see that letter now?

Mr. PENDLETON. Certainly.

Mr. EDMONDS. Go ahead, Mr. Chamberlain.

Mr. CHAMBERLAIN. The situation in the United States has been following in a curious way lines parallel to the development in Great Britain. Of course, as you gentlemen on this committee scarcely need to be told, up to within a very recent time we had practically no American cargo steamers in the foreign trade. You may be asked later on, What proof have you and how many ships have really been sunk for lack of a load line. This technical committee has gone into that question thoroughly, and they will make an exact report tomorrow, but in the meantime I may say that up to the war we had practically no cargo steamers crossing the Atlantic, or the Pacific either. Our merchant shipping in transoceanic trade was practically confined to seven passenger ships—four American Line ships and three Red Star ships, as I recall—and on the transpacific just a few Pacific Mail steamers. Therefore the load-line proposition was not a real pressing proposition in this country.

In the second place, since the war we have been crossing the Atlantic in considerable numbers with our cargo ships, and as a matter of fact we have had a load line. We have had a load line, at least to the extent of the ships of the Shipping Board, and I may add that those ships are marked according to British rules. They are marked by the American Bureau of Shipping, but they are marked according to British rules.

Mr. SCOTT. By whom: the insurance companies?

Mr. CHAMBERLAIN. No; they are marked by the American bureau under an agreement which I will explain to you in a moment.

Mr. SCOTT. Do cargo ships usually carry insurance on the cargo?

Mr. CHAMBERLAIN. Of course, the cargo is always covered by insurance; yes.

Mr. SCOTT. Do the insurance companies participate in asking the amount of cargo that each ship is carrying in determining whether or not they will accept the insurance?

Mr. CHAMBERLAIN. The acceptance of the insurance depends, of course, to a certain extent upon that. They look at the classification of the ship, and with the classification of the ship goes the load line. That is an element.

Mr. EDMONDS. It is impossible, of course, for them to investigate the loading of a ship in a foreign port when it is going to another foreign port, and yet that would be one of the insurance features. A man might wire from Rio de Janeiro that his ship was going to Italy with a cargo of coffee, and that he wanted it insured. If he had a load line, he would know how heavy the ship was loaded, and if they did not have a load line he would not know anything about that.

Mr. SCOTT. Indicating the amount of cargo to be carried on that trip as a basis for the amount of insurance in question?

Mr. CHAMBERLAIN. Yes; that is an element in the risk, of course.

Mr. DONALD. May I amplify the statement which Mr. Chamberlain has made about the load line by saying that when the ships were requisitioned during the war, all the ships had to have a load line—and I think that was the reason they had the marks on them—and the amount of tonnage carried fixed before payment was made by the Government?

Mr. CHAMBERLAIN. That was one reason; yes. So I will not be able to go into the number of losses that could be attributed to the lack of a load line, in the first place, because when we did not have any load line at all there were hardly any ships to which it would have been applicable, and, in the second place, since we have had a great many ships that would be subject to a load line—in point of fact they have had a load line—practically the same as this bill is going to require.

Before I go into the details as to the further history of this legislation, the British Government in 1890 or thereabouts—I have the details of that in my previous hearing, and, by the way, this matter was gone over very thoroughly in the hearings before your committee on October 31, 1919. At that time the bill was H. R. 3621. The first British load-line bill of 1875 provided that the owner could put the load line wherever he saw fit. That was the famous Plimsoll law. The futility of a law of that kind is evident right on its face, and to make it perfectly clear to everybody some British shipowners in those days, as I think I told you at the time, put the load-line mark on the smokestack. We had a similar law. A similar law was passed by Congress in 1890, and it was probably, and I think properly, repealed a few years later as utterly futile.

From that early British legislation, however, the present British load-line law developed by the cooperation of Lloyd's society, which is a classification society, and which had the keenest kind of interest in establishing the insurance risk of a ship, and the British Government through the Board of Trade. They cooperated, and the result was the passage of the British load-line act of 1890.

That law did not apply to foreign ships originally, but only to British ships leaving ports of the United Kingdom. In 1906 that law was extended by the British to all ships of all nations in the ports of the United Kingdom. Its application to foreign ships was to take effect at a date to be announced by proclamation or by orders in council, which correspond to our presidential proclamations. They gave us notice that that law would apply in 1909 or 1910. They gave us the three years' notice, and our reply was that that was very interesting, but inasmuch as we had no ships to which it would apply, we did not feel bound to take a very active interest in it.

In 1915, a year after the war had started, for the first time, American cargo ships began crossing the Atlantic. Of course, in 1915, the submarine losses had begun to be heavy, and our ships began crossing then. None of them had any load line marks at that time. The British authorities immediately called our attention to the law. They were very civil about it and said, that of course their ships going out of British ports and coming in had to be marked, and they thought we should live up to their law. It was explained to them, rather informally, that it would be very difficult at that time to get legislation—and it would have been—but we would try to make some arrangements to cover the situation in the case of the few ships

which seemed likely to cross. That was long before this tremendous program of shipbuilding had even been thought of in Congress or in this country.

Mr. SCOTT. That was during the war?

Mr. CHAMBERLAIN. That was in 1915. There were only a few ships crossing then, and we sent word around to the various American lines that this was the British attitude and that, of course, they were well within their powers, and that American owners should make such private arrangements as they could, and that probably Lloyd's surveyors would mark their ships for them if they asked them to, and that Lloyd's surveyors' marks were accepted in the United Kingdom when they had the approval of the Government, but, of course, we were not in position to give any approval because we had no legislation and no authority. That arrangement ran along for some time. In the meantime we had the American bureau, but the American bureau of those days—and I say this with all due respect to some hardworking and some very earnest men—did not have anything like the standing it has now.

As the number of our ships began to increase, the American bureau endeavored to make an arrangement with the British Government, informally, which was proper enough, perhaps, but that is not the way arrangements are usually made, and the matter hung fire. I happened to be in London for a very short time two years ago and took the matter up informally with the board of trade, and they said they would be very glad to do anything they could, but that they did not even recognize Lloyd's marks except with the approval of the Government.

In other words, the method of marking the load line is this: The Lloyd's surveyors report about where the marks should be—in some cases Lloyd's surveyors and in some cases the British corporation, which is an organization similar to Lloyd's, but not so large, and in some cases the British Government officials themselves, because not all British ships are classed either with Lloyd's or with the British corporation. Their tentative marks have to be approved by the board of trade authorities.

Those with whom I took up the subject agreed that pending legislation by this country they would accept the American bureau marks if the Government of the United States would stand back of the American bureau marks, and until legislation could be passed they would accept them.

Mr. SCOTT. For what purpose?

Mr. CHAMBERLAIN. For the purpose of entering and clearing British ports; otherwise the American ships would simply have to stop until marked by British authorities.

Mr. SCOTT. I assumed that was the purpose.

Mr. WHITE. Mr. Chamberlain, would it interrupt you if I asked you a question now, as I have to go to the House because the tariff bill is under consideration, and I want to get one or two things straightened out in my mind. I have before me what I take to be the present British law on this question of the load line. It was furnished by you in the last hearings. What I understand to be paragraph 438, on page 18 of the old hearings, says that the owner of every British ship proceeding to sea from a port in the United Kingdom shall have this mark on her sides.

Mr. CHAMBERLAIN. Yes.

Mr. WHITE. Now, I want to know what that law has been construed to mean. I have been told that under this law it applies only to a vessel sailing from a port in England or Scotland—that is, the United Kingdom as such—and that it has no application to a vessel, and is not observed in the case of a vessel, sailing from any other port than a port of the United Kingdom; is that correct?

Mr. CHAMBERLAIN. That is obviously correct. That is exactly what the law says, as far as you have read it.

Mr. WHITE. So that a British steamer, except when she sails out of a port of England or Scotland, is not subject to any load-line law, but can sail around the law without any regard to any load-line markings.

Mr. CHAMBERLAIN. If the load line is marked it is marked when you go in and when you come out, and stays marked.

Mr. WHITE. Absolutely; but she sails from a British port, and when she sails she observes in her loading that mark, but take the case of a tramp steamer that may go all around the world a half dozen times before she gets back into that British port. She is not, under the law, required to observe those load lines after she has gotten out of the home port; is that correct?

Mr. CHAMBERLAIN. That is correct; but did you notice the penalties for obliterating the marks?

Mr. WHITE. I do not mean to say that the load line is washed off. The load line is there and is observed in the loading when the vessel sails out of the British port. The load line stays on there, of course, all the time, but as I read the law there is no requirement that in loading in any other port on the face of the earth that steamer has to observe that load line in its loading; is that right?

Mr. CHAMBERLAIN. That is right as far as it goes, but it only goes a very short distance, and I will tell you why. In the first place, the British law is carried over by a number of the British possessions.

Mr. WHITE. It is not carried over by Canada, for instance.

Mr. CHAMBERLAIN. Probably not.

Mr. WHITE. In other words, there is no Canadian load line.

Mr. CHAMBERLAIN. No.

Mr. WHITE. Let me ask you another question——

Mr. CHAMBERLAIN (interposing and continuing). And may I go just a little further, because otherwise I am afraid you have omitted quite an important element in this situation. The load line is evidence, is it not, of the security of the ship?

Mr. WHITE. Yes.

Mr. CHAMBERLAIN. Now, suppose the ship is lost or is damaged in any way, and it can be proven you had exceeded your load line, do you not imagine that is a factor in an action in court in determining liability?

Mr. WHITE. Yes; but that is simply a matter of proof as to whether you have overloaded your vessel so she would be unseaworthy.

Mr. CHAMBERLAIN. That is the issue in insurance cases, is it not?

Mr. WHITE. And you can always prove that fact by other evidence, as to whether the captain or the master of a vessel has overloaded his vessel so she is unseaworthy, and unseaworthiness, of course, is contributed to by improper loading or the overloading of a vessel.

Mr. CHAMBERLAIN. Yes.

Mr. WHITE. The bill now before us applies to an American vessel not only when she leaves an American port, but it also applies to a vessel loading in any foreign port as well.

Mr. CHAMBERLAIN. Yes.

Mr. WHITE. In other words, we are going further in this legislation than the British law goes.

Mr. CHAMBERLAIN. In that particular feature.

Mr. WHITE. That is the principal thing, is it not?

Mr. CHAMBERLAIN. No. I will say, very candidly, that so far as loading at any foreign port is concerned, I am very much in doubt as to how we are ever going to carry that out on account of lack of instrumentalities and agencies in foreign ports.

Mr. WHITE. I was just going to add that there was no instrumentality to carry that out except the conscience of the captain or the master.

Mr. CHAMBERLAIN. Yes; there are some others besides that.

Mr. WHITE. I mean, practically speaking.

Mr. CHAMBERLAIN. Of course, there are the consuls; but I may say that this bill, to a certain extent, represents a compromise of views. For instance, how will the load line be enforced in the case of an American ship leaving a port in Africa?

Mr. WHITE. Practically speaking, it can not be.

Mr. CHAMBERLAIN. What agencies have we to do that? We have two agencies, we have the consul and the conscience of the captain, as you have said.

Mr. WHITE. Is there authority in this bill for a consul to enforce this load-line law?

Mr. CHAMBERLAIN. Oh, yes.

Mr. WHITE. I do not know about that.

Mr. CHAMBERLAIN. That would go as a matter of course. He is one of the instrumentalities, and the Secretary of Commerce can designate the instrumentalities; and, of course, he would ask the Secretary of State to do that. I do not think there is any question about that, but there is this difficuly about the matter. I regard the practical difficulty as more serious than the objection you raised in the first place, because for the moment it would seem as if the very terms of the British statutes were the only means of giving effect to the load line, and really, I do not think that is so. I think all that goes with the load line relates to the seaworthiness of a ship wherever it is.

Mr. WHITE. The difficulty with the situation is that the English law providing a load line does not apply to an English vessel except when she sails out of an English port. This bill is comprehensive in its terms and applies to an American vessel wherever she may be.

Mr. CHAMBERLAIN. Yes.

Mr. WHITE. And to that extent it is a discrimination against the American vessel, is it not?

Mr. CHAMBERLAIN. No; I do not think so. You assume that the load line and that the proper loading of a ship is a discrimination. I think, on the other hand, that it is a discrimination in favor of the ship.

Mr. WHITE. Perhaps the word "discrimination" is unfortunate there.

Mr. CHAMBERLAIN. Yes.

Mr. WHITE. But the act has further application to the American ship than the British law has to the British ship.

Mr. CHAMBERLAIN. There is not any doubt about that as a pure matter of the language of the statutes; but that the British act, with all its consequences and all that is tied up to it does not operate throughout British shipping wherever it may be, I should seriously question.

Mr. BLAND. Mr. Chamberlain, is it a fact that the Plimsoll load line was raised and vessels authorized to load deeper throughout a conference of European countries in 1909 or thereabouts, and that losses have increased very much since then?

Mr. CHAMBERLAIN. Since 1909?

Mr. BLAND. Yes.

Mr. CHAMBERLAIN. There is no doubt that losses have increased very much since 1919.

Mr. BLAND. I mean since 1909.

Mr. CHAMBERLAIN. Since 1909, there is no doubt whatever about that.

Mr. BLAND. And is it not a fact that the Plimsoll load line was raised and vessels authorized to load deeper through a conference of European countries in 1909 or thereabouts.

Mr. CHAMBERLAIN. I do not know that it was through a conference of European countries, but the load line, as you put it, was raised.

Mr. BLAND. Through a conference of some organizations or somebody?

Mr. CHAMBERLAIN. Oh, yes.

Mr. BLAND. Do you know what that organization or conference was?

Mr. CHAMBERLAIN. I think it was the owners and shipbuilders, with the classification societies and German interests. I remember the incident vaguely. I will be glad to look it up.

Mr. BLAND. I would be very glad if you would.

Mr. EDMONDS. Let me say for your information that the merchant shipping act of 1906 went into force in October, 1909, and the British load-line regulations were to apply to all foreign ships coming to English ports. The Japanese have just passed their bill this year, and that bill applies to all foreign ships coming to those ports. That is the real necessity in your overseas business for having a load line. If you are going to have a load line, you might as well have your own load line rather than take the other fellow's load line. The load line fixed and marked, and the certificates of free board issued by the governments of India, the Straits Settlements, Victoria, and South Australia, are to have the same effect as if they had been fixed, marked, and issued by the British Board of Trade. The British Board of Trade have accepted the load-line tables of France, Germany, Holland, and Sweden as equivalent to their own. Now, this places in the hands of any foreign Government, any time they want to be a little bit ugly, the privilege of holding your ship up while they measure her load line, because it is a law that applies in their ports. If you have a load-line law and get them to accept your load-line law, the difficulty is removed, and I think it is important for us to find out whether we want a load line or not in the overseas business, and if we do want a load line, we want one they will have to accept just the same as they have accepted the load lines of other countries.

Mr. CHAMBERLAIN. Mr. Chairman, I have gone over all this matter in previous hearings, and I would rather answer any questions that you might think pertinent to the situation rather than to traverse the same ground again, unless you think that is necessary. Your time is valuable, and I know that you have other engagements, and there are also a number of gentlemen here from out of town.

Mr. EDMONDS. I will tell you what I wish you would do. I am not altogether satisfied that under the British law Mr. White's statement is correct.

Mr. CHAMBERLAIN. It is partially correct.

Mr. EDMONDS. I think you will find in the law that in case a British ship does not adhere to the load line when she travels around the world, if she is insured and the insurance company wants to take advantage of that, she can be caught up on her insurance.

Mr. CHAMBERLAIN. Yes; there is a penalty for removing the marks.

Mr. EDMONDS. Yes.

Mr. CHAMBERLAIN. The removal of the marks, of course, would appear as evidence very much against the shipowner and the master in the case of any litigation of any kind involving the safety of the ship.

Mr. EDMONDS. I wish you would furnish the British law up to date in regard to load lines, and I think it would be well to put in this statement from the document entitled "Navigation laws of the leading maritime countries in regard to the load line with the exception of Japan." The Japanese law, of course, would be out now because they have enacted a law since this pamphlet was published. I think it would be well to put in the record this statement on pages 67 to 72. Will you do that, also?

Mr. CHAMBERLAIN. Yes; I will be very glad to do so.

Attached are the laws or summaries requested and a glance at the British law, especially section 442 (a) will show how comprehensive is its application to British ships everywhere:

BRITISH LAW—DRAUGHT OF WATER AND LOAD LINE.

436. (1) The board of trade may, in any case or class of cases in which they think it expedient to do so, direct any person appointed by them for the purpose to record, in such manner and with such particulars as they direct, the draught of water of any seagoing (a) ship, as shown on the scale of feet on her stem and stern post, and the extent of her clear side in feet and inches, upon her leaving any dock, wharf, port, or harbour for the purpose of proceeding to sea, and the person so appointed shall thereupon keep that record and shall forward a copy thereof to the board of trade.

(2) That record or copy, if produced out of the custody of the board of trade, shall be admissible in evidence in manner provided by this act (b).

(3) The master of every British seagoing ship shall, upon her leaving any dock, wharf, port, or harbour for the purpose of proceeding to sea, record her draught of water and the extent of her clear side in the official log book (if any) (c), and shall produce the record to any chief officer of customs whenever required by him (d), and if he fails without reasonable cause to produce the record shall for each offence be liable to a fine not exceeding twenty pounds.

(4) The master of a seagoing ship shall, upon the request of any person appointed to record the ship's draught of water, permit that person to enter the ship and to make such inspections and take such measurements as may be requisite for the purpose of the record; and if any master fail to do so, or impedes, or suffers anyone under his control to impede, any person so appointed in the execution of his duty, he shall for each offence be liable to a fine not exceeding five pounds.

(5) In this section the expression "clear side" means the height from the water to the upper side of the plank of the deck from which the depth of hold as stated in the register is measured, and the measurement of the clear side is to be taken at the lowest part of the side.

437. (1) Every British ship (except ships (a) under eighty tons register employed solely in the coasting trade (b), ships employed solely in fishing, and pleasure yachts, and ships employed exclusively in trading or going from place to place in any river or inland water the whole or part of which is in any British possession) shall be permanently and conspicuously marked with lines (in this act called deck lines) of not less than twelve inches in length and one inch in breadth, painted longitudinally on each side amidships, or as near thereto as is practicable, and indicating the position of each deck which is above water.

(2) The upper edge of each of the deck lines must be level with the upper side of the deck plank next the waterway at the place of marking.

(3) The deck lines must be white or yellow on a dark ground or black on a light ground.

(4) In this section the expression "amidships" means the middle of the length of the load water-line as measured from the fore side of the stem to the aft side of the sternpost.

438. (1) The owner of every British ship proceeding to sea from a port in the United Kingdom (except ships (a) under eighty tons' register employed solely in the coasting trade (b), ships employed solely in fishing and pleasure yachts) shall, before the time hereinafter mentioned, mark upon each of her sides, amidships within the meaning of the last preceding section, or as near thereto as is practicable, in white or yellow on a dark ground, or in black on a light ground, a circular disk twelve inches in diameter, with an horizontal line eighteen inches in length drawn through its center.

(2) The center of this disk shall be placed at such level as may be approved by the board of trade below the deck line marked under this act and specified in the certificate given thereunder, and shall indicate the maximum load line in salt water to which it shall be lawful to load the ship.

(3) The position of the disk shall be fixed in accordance with the tables used at the time of the passing of this act by the board of trade (c), subject to such allowance as may be made necessary by any difference between the position of the deck line marked under this act and the position of the line from which freeboard is measured under the said tables, and subject also to such modifications, if any, of the tables and the application thereof as may be approved by the board of trade.

(4) In approving any such modifications the board of trade shall have regard to any representations made to them by any corporation or association for the survey or registry of shipping for the time being appointed or approved by the board of trade, as hereinafter mentioned, for the purpose of approving and certifying the position of the load line.

439. If a ship is so loaded as to submerge in salt water the center of the disk indicating the load line, the ship shall be deemed to be an unsafe ship within the meaning of the provisions hereafter contained in this part of this act, and such submersion shall be a reasonable and probable cause for the detention of the ship.

440. (a) (1) Where a ship proceeds on any voyage from a port in the United Kingdom for which the owner is required to enter the ship outwards (a), the disk indicating the load line shall be marked, before so entering her, or, if that is not practicable, as soon afterwards as may be.

(2) The owner of the ship shall upon entering her outwards insert in the form of entry a statement in writing of the distance in feet and inches between the center of this disk and the upper edge of each of the deck lines which is above that center (b), and if default is made in inserting that statement, the ship may be detained (c).

(3) The master of the ship shall enter a copy of that statement in the agreement with the crew before it is signed by any member of the crew, and a superintendent shall not proceed with the engagement of the crew until that entry is made (d).

(4) The master of the ship shall also enter a copy of that statement in the official log book (e).

(5) When a ship to which this section applies has been marked with a disk indicating the load line, she shall be kept so marked, or, if the mark has been altered abroad in accordance with regulations made by the board of trade for the purpose, marked with the mark as so altered (f), until her next return to a port of discharge in the United Kingdom.

441. (a) (1) Where a ship employed in the coasting trade is required to be marked with the disk indicating the load line (b), she shall be so marked before the ship proceeds to sea from any port; and the owner shall also once in every twelve months, immediately before the ship proceeds to sea, transmit or deliver to the chief officer of customs of the port of registry of the ship a statement in writing of the distance in feet and inches between the center of the disk and the upper edge of each of the deck lines which is above that center (c).

(2) The owner, before the ship proceeds to sea after any renewal or alteration of the disk, shall transmit or deliver to the chief officer of customs of the port of registry of the ship notice in writing of that renewal or alteration, together with such statement in writing as before mentioned of the distance between the center of the disk and the upper edge of each of the deck lines (c).

(3) If default is made in transmitting or delivering any notice or statement under this section, the owner shall, for each offense, be liable to a fine not exceeding one hundred pounds.

(4) When a ship to which this section applies has been marked with a disk indicating the load line, she shall be kept so marked until notice is given of an alteration.

442. (a) (1) If (a) any owner or master of a British ship fails without reasonable cause to cause his ship to be marked as by this part of this act required, or to keep her so marked, or allows (b) the ship to be so loaded as to submerge in salt water the center of the disk indicating the load line; or (b) any person conceals, removes, alters, defaces, or obliterates, or suffers any person under his control to conceal, remove, alter, deface, or obliterate, any of the said marks, except in the event of the particulars thereby denoted being lawfully altered, or except for the purpose of escaping capture by an enemy, he shall for each offense be liable to a fine not exceeding one hundred pounds.

(2) If any mark required by this part of this act is in any respect inaccurate so as to be likely to mislead, the owner of the ship shall for each offense be liable to a fine not exceeding one hundred pounds.

443. (a) (1) The board of trade shall appoint the committee of Lloyd's Register of British and Foreign Shipping or, at the option of the owner of the ship, any other corporation or association for the survey or registry of shipping approved by the board of trade, or any officer of the board of trade specially selected by the board for that purpose, to approve and certify on their behalf from time to time the position of any disk indicating the load line, and any alteration thereof, and may appoint fees to be taken in respect of any such approval or certificate.

(2) The board of trade may make regulations (b)—

(a) Determining the lines or marks to be used in connection with the disk, in order to indicate the maximum load line under different circumstances and at different seasons, and declaring that this part of this act is to have effect as if any such line were drawn through the center of the disk; and

(b) As to the mode in which the disk and the lines or marks to be used in connection therewith are to be marked or affixed on the ship, whether by painting, cutting, or otherwise; and

(c) As to the mode of application for, and form of, certificates under this section; and

(d) Requiring the entry of those certificates, and other particulars as to the draft of water and freeboard of the ship, in the official log book (c) of the ship, or other publication thereof on board the ship, and requiring the delivery of copies of those entries.

(3) All such regulations shall, while in force, have effect as if enacted in this act, and if any person fails without reasonable cause to comply with any such regulation made with respect to the entry, publication, or delivery of copies of certificates or other particulars as to the draft of water and freeboard of a ship, he shall for each offense be liable to a fine not exceeding one hundred pounds.

(4) Where, in pursuance of the regulations, any such certificate is required to be delivered, a statement in writing as to the disk and deck lines of a ship need not be inserted in the form of entry or transmitted or delivered to a chief officer of customs under the provisions hereinbefore contained (d).

NORWAY.

Every ship, except fishing, seal, and whaling vessels, those of less than 100 tons gross register (1) and those trading coastwise in Norway, is required by law to have a horizontal line amidships on both sides indicating the deck from which the freeboard is to be measured (2). The law states that "the ship shall be provided with a mark, denoting the deepest line (the load line) to which the ship may legally be loaded down in salt water" (2). Besides the principal mark, other marks or lines are required to be affixed denoting the wood-cargo line, load lines in different seasons and under different conditions of trade, kind of cargo, etc.

The measuring of the position of the lines and the application of them are executed by persons specially authorized for that purpose by the ministry in charge. This

authorization may be conferred upon the Norske Veritas or upon any other classification society recognized by the King of Norway. The computations must be submitted to the Mercantile Marine Department for the purpose of verification, and this department may reject the assignment made and require the position of the lines altered (2).

With reference to load lines determined and affixed under regulations of foreign countries, the following provision of the act of June 9, 1903, applies:

The King, or any person on whom he may confer authority for the purpose, may, on request being made to that effect, approve of a load line affixed in accordance with foreign load-line regulations, which by Norwegian authorities have been recognized as equivalent to Norwegian ones (2).

A royal ordinance dated October 6, 1909, recognizes the British Board of Trade rules and tables of freeboard as equivalent to the Norwegian rules established in 1909.

If a ship has been loaded so deep that the upper edge of the load line applying to the particular cargo under existing conditions is submerged, the vessel is considered unseaworthy, and the ship control may detain it in a Norwegian port until a sufficient part of the cargo has been discharged to permit the line to reappear above the water.

By royal decree of October, 1909, Norway recognized the British load-line regulations and freeboard tables of 1909 as equivalent to the Norwegian and extended the same recognition to French load-line regulations and freeboard tables (except special regulations for sailing ships).

(NOTE.—The Norwegian load-line law and regulations, proclaimed September 18, 1909, consists of 82 printed pages with diagrams, tables, and computations, and is accessible only in the Norwegian language to the Bureau of Navigation.)

1. Royal ordinance of April 15, 1910, provides that the provisions of the law relating to load lines shall also be applicable to ships of a tonnage not exceeding 100 tons and not less than 25 tons gross register engaged in foreign trade, if so required by the owner.

2. Law concerning the public supervision of the seaworthiness of ships, etc., of June 9, 1903, as amended by the law of September 18, 1909, section 55.

FRANCE.

Rules and regulations relating to the marking of load lines on French vessels are contained in a decree of September 21, 1908, approving the regulations prepared by the Bureau Veritas.

The ministers of marine and of commerce and industry are required by paragraph 7 of section 53 of the law of April 17, 1907, to make general rules for the determination of the maximum draft to which vessels may be loaded and for placing load-line marks indicating this maximum upon the hulls of vessels. This section also provides that in the determination of these rules the minister of marine should be assisted by an approved classification society. Accordingly, the Bureau Veritas was directed to prepare the rules, which were formally adopted by the minister of the marine and issued in the decree of September 21, 1908. (1) These rules are very technical and detailed in their requirements and, so far as can be determined, conform with the standard of the rules fixed by the British Board of Trade.

GERMANY.

The fixing of load-line marks on German vessels has been left to the See-Berufsgenossenschaft. Before drafting its rules this organization made an exhaustive study of the subject of loading and of the proper amount of freeboard, collecting a vast amount of statistical data relative to the depth of German ships when fully and when partially loaded.

The rules, which were formulated in collaboration with the Germanischer Lloyd, were first issued in 1903 as Supplement I of the accident prevention rules of the association for steamships, and applied to both steamships and sailing vessels engaged in overseas voyages (lange and Atlantische Fahrt) and those making long coasting voyages (grosse Küstenfahrt). A later edition of the rules appeared in 1909 as Supplement III of the rules for steamships and as Supplement I of the rules for sailing vessels.

The load-line marks of German vessels are accepted by the British Board of Trade.

Mr. EDMONDS. If any of you desire to ask Mr. Chamberlain any questions, I would suggest that you do so now.

Mr. PENDLETON. I would like to have the names of all vessels on the Atlantic coast in the last 10 years where it is claimed that a life has been lost on an American sailing vessel or steamer by reason of being overloaded. That, I think, is fundamental. That is the reason why they think they should have this act putting a burden upon American vessels and driving them into this situation by annoying and pestering them, and I think that is the first thing they ought to show—some vessel that has been lost by reason of being overloaded. I have had some little experience on this coast for 30 years and more, and have owned as many vessels as any person who ever lived in this country, and I have never known one to be lost by reason of being overloaded; but I do know that lots of them have had load lines, and I do know of lots of them that have been overloaded when they loaded down to the load line, and vessels that did not have a load line had to pick the crews off of them to get them in; and I want to tell you gentlemen that when you put this load line on a vessel you tie the captain and his crew to a stake in a port when he is under time charter, and make him load down to a certain mark whether he has got to go north of the Equator or south of the Equator.

Mr. EDMONDS. One moment; you may make those statements in your own testimony.

Mr. PENDLETON. Yes; I simply wanted to find out what vessels have been lost that were overloaded.

Mr. CHAMBERLAIN. That is a rather long question, and I will try to remember as much of it as I can. If I might make one observation, it would be this: The question implies that the real time to lock the stable door is after the horse has been stolen. Now, I do not see that it is necessary to prove actual losses, and, as I stated in the beginning, it is a very difficult matter to demonstrate the actual cause of the loss of a ship as being through the absence of a load line. That matter, however, has been carefully studied and gone into with particularity by the committee which is to be here to-morrow, and they will have the results of their study, which I think will cover the casualties for a number of years.

Mr. EDMONDS. I think it was testified to in our hearings before that some boat or schooner or three-master went out from a Rhode Island port with a cargo and was not out more than a few hundred miles before she had to throw the whole deck cargo overboard because of a small storm that came up.

Mr. PENDLETON. I would like to know the name of that schooner because that may have happened from any one of a number of causes, and I would like to know why it is that the reports prove that our ships are the safest in the world. At the present time that is the record and has been for some time. The records show that our ships are the safest because the master can decide how deep he will load his ship. He knows whether she is weak or strong and knows the perils of the weather he has to go through and he knows whether he is loading for a short voyage or a long voyage, and knows whether he is likely to encounter hard weather or good weather, and he is the one who decides, and it is a great advantage for him to have that knowledge because then he can load his vessel deeper on one voyage and make money for his owners and then load lighter on other voyages and go with safety. He, himself, takes the risk, and he knows how to load his ship, and there is no man who can sit behind a roll top desk two or three or five thousand miles away from home and tell him how to load his ship, because he knows whether the ship is weak or strong.

Mr. MORRIS. Mr. Chairman, I would like to answer Mr. Pendleton by saying that I believe he was the owner of a steamer called the *Edith Olcott*, which went to sea a few years ago and sunk right off Sandy Hook, coming out of New York on a voyage to Porto Rico with a general cargo. The case can be found under the head of Benner Line versus Pendleton. The vessel was unseaworthy according to the Supreme Court, and Mr. Pendleton, as managing owner, was denied any limit of liability, even under the Harter Act. There have been some other vessels that have been lost along the coast and some of them are now in litigation.

Mr. PENDLETON. What one?

Mr. MORRIS. Recently the loss of the steamer *Hewett* sailing with a cargo of sulphur from Sabine to Boston.

Mr. PENDLETON. She has never been heard from yet, and you do not know whether she struck an obstruction or what happened to her.

Mr. MORRIS. The argument is she was overloaded.

Mr. PENDLETON. And yet that is a steamer that had a load line on her.

Mr. MORRIS. Maybe she did.

Mr. PENDLETON. That is the reason probably she sunk, because she was overloaded.

Mr. MORRIS. Did she observe the load line?

Mr. PENDLETON. She certainly did, or the matter would have been contested.

Mr. MORRIS. There are two other vessels, one of which was the *Cubadist*. She was lost in January, 1920, on a trip from Habana to Baltimore with a cargo of molasses. While the vessel had been marked with a load line—she was lost with a crew of 35 men—she was loaded deeper than the load line allowed. She was a steamship belonging to the same owners.

The *Meilero*, on a voyage from Cuba to Philadelphia, in January, 1920, is another vessel that was lost. She was loaded deeper than her assigned marks, which were not binding on her but were evidence of what she was able to carry. The crew went off in two boats. One of them, fortunately, was picked up and landed. The captain's boat, containing 22 of the crew, has never been heard from. The record of that vessel, for nine voyages, shows that she was consistently overloaded, on the basis of the Lloyds load line, anywhere from 1 to 2 feet on each voyage.

Mr. PENDLETON. What was the name of that ship, please?

Mr. MORRIS. The *Meilero*.

Mr. PENDLETON. What flag was she under?

Mr. MORRIS. She belongs to the Cuba Distilling Co.

Mr. PENDLETON. What flag was she under?

Mr. MORRIS. I think she was under the American flag. She was covered by certificate of registry No. 54.

There is another case of a Lake steamer, the *Benjamin Noble*, which was lost in April, 1914, while on a voyage from Conneaut, Ohio, to Duluth, Minn. She had no load line. The vessel was built, according to the builders' plans, to draw about 14½ feet.

Mr. GAHN. What vessel was that?

Mr. MORRIS. The *Benjamin Noble*, belonging to the Capital Transportation Co., of Detroit. She was lost on Lake Superior, with all

hands. The crew consisted of 20 persons and there was not a survivor.

Mr. GAHN. What date was that?

Mr. MORRIS. April 28, 1914.

Mr. GAHN. Did she hit an iceberg or something?

Mr. MORRIS. No; she got in heavy weather and did not have sufficient buoyancy to come through. She was lost with all hands. A suit was instituted by the Capital Transportation Co. and carried to the Supreme Court, and it was decided within the last three years, I think within two, that that vessel was unseaworthy, solely due to the overloading. She was admittedly a stanchly built, sound vessel, but she was overloaded, and according to the calculation she had a freeboard of not over 3 inches.

Mr. GAINES. Has the Supreme Court of the United States decided that a vessel which is overloaded is unseaworthy?

Mr. MORRIS. Yes, sir; that was so decided, and the owners were denied any limitation of liability, even under the Harter Act.

Mr. BLAND. In what case?

Mr. MORRIS. In the *Benjamin Noble* case. And it has also decided that unseaworthiness from other causes arising from the privity of knowledge of the conditions by the owner did not relieve the owner from liability under the Harter Act.

Mr. PENDLETON. They did not decide she was unseaworthy only because she was overloaded.

Mr. MORRIS. I said unseaworthiness arising from other causes.

Mr. GAHN. On the Great Lakes would you not have to have many load lines in order to accommodate the different types of vessels and the many seasons?

Mr. MORRIS. They have that on the ocean. They have summer and winter cargo load lines. A vessel might safely carry more cargo at one time of the year than she could carry at another time of the year. That is the reason the English board of trade have assigned summer and winter freeboard marks; and then they have a provision for diversity of voyages to different parts of the world, at different seasons of the year.

Mr. EDMONDS. Now, Mr. Morris, we will let Mr. Chamberlain finish and then bring you on a little later.

Mr. GIBBS. I would like to ask Mr. Chamberlain this question, apropos of what Mr. Pendleton said. Is it not a fact where a ship goes to sea and is lost by reason of the overloading, that it is usually a case nobody on earth knows anything about, because the ship is lost without trace and therefore it is obviously not very easy to determine whether the ship was lost by reason of the overloading?

Mr. CHAMBERLAIN. That, of course, is the fact and that will be developed fully by this report that will be in to-morrow. These gentlemen, who certainly have approached the subject in a disinterested way and with ample time and in the thorough way you would expect of gentlemen of the character of those I have enumerated, have gone into that matter with great particularity, and they have said it is the fact, just as has been indicated from what Mr. Gibbs has said, that it is an extremely difficult matter to prove, when everybody is lost, a particular cause for the loss. All you can do, of course, is to draw an inference from the condition of the ship when she left port and such evidence as you can get as to other causes, the possibility of

collision and all that sort of thing; and they have made the best kind of a report they could and that will be submitted to you in full, and that is the reason I do not want to go into that subject myself.

Mr. EDMONDS. The Chair understands this report of Mr. Gibbs is the one you are going to make to-morrow?

Mr. CHAMBERLAIN. No, the report which will be made to-morrow is by Admiral Taylor's committee, which is a departmental committee, and will cover the question Mr. Pendleton just raised.

Mr. GAHN. Does not the United States Government have authority for your officers now to inspect the loading of boats?

Mr. CHAMBERLAIN. It is only—the collectors of customs have authority to detain unseaworthy ships. I take it that is the section to which you are referring. It is precisely that section, which I may add is almost verbatim a copy of the British law of a great many years ago, that renders legislation of this kind necessary. A collector of customs may detain an unseaworthy ship. That gives him no rule whatever to guide him, except his own judgment—precisely the same situation that they had under the old British law.

Mr. GAHN. Unseaworthiness would include overloading?

Mr. CHAMBERLAIN. Undoubtedly; that is one of the first elements of unseaworthiness.

Mr. GAHN. After all, is it not a matter of judgment. Whether a load line is to be given a certain vessel or she is allowed to load cargo to a certain amount at the time she leaves, it is all a question of the judgment of the Government inspector, is it not?

Mr. CHAMBERLAIN. But there is this difficulty with the present law, and the same difficulty arose in the British law, that you leave to the discretion of a collector of customs the determination of a question which, so far as the load line is concerned, is largely determined by fixed mathematical principles which can be reduced to writing and rules; and when those rules are once established, you can put marks on the ship which will indicate the depth to which that ship can be loaded.

Mr. GAHN. How do you fix the load line; by mathematical principles?

Mr. CHAMBERLAIN. It is almost entirely a matter of computation.

Mr. GAHN. I do not see, personally, that that is as safe as the judgment of the master and inspector at the time she leaves, or after she has had some sea voyages—some experience in the water.

Mr. CHAMBERLAIN. While, of course, experience is a school in which a great many of us have to learn, yet at the same time in the matter of the construction of a ship there are elementary principles. Every ship is built to carry a certain load, isn't it—to carry a certain load with security?

Mr. GAHN. She might carry that load and she might not, after she got out in the water.

Mr. CHAMBERLAIN. The structural defects might be developed, to be sure; but, with a ship of given dimensions, you can say that that ship can be loaded to draw a certain depth of water. Of course the real point, you see, as to the load line, is this; a load line determines the point to which the ship can be loaded so that, in case the seas wash over her, she won't fill with water and go down. There are two factors in it; there is the mathematical element and the construction, the matter of the superstructure and all that, so that I was

wrong when I said it was entirely mathematical. That is the main consideration, but there are other considerations.

Mr. EDMONDS. There is nothing in the load line bill that prevents the use of deck cargo, is there?

Mr. CHAMBERLAIN. The load line bill does not cover deck cargo.

Mr. EDMONDS. I understand some of our ships we built during the war, in order to preserve their proper center, when they carry a certain kind of cargo they have to carry a certain amount of deck cargo. Is that right?

Mr. CHAMBERLAIN. I can not answer as to that, but I think it is very likely true.

Mr. EDMONDS. As to a proposition of that kind, there is nothing in this bill which would prevent that deck cargo being carried?

Mr. CHAMBERLAIN. Nothing in the law. Deck cargo legislation is an entirely distinct subject, not taken up in this bill at all, not designed to be taken up, and is taken up in the British law in an entirely separate way. The Canadians, by the way, have a deck cargo law; but that is quite distinct from the proposition in this bill. Just in the same way, the British have a load line law applicable to ships with grain cargoes exclusively, which governs the way in which grain cargo shall be fixed in its place. Those are matters apart from this bill.

Mr. EDMONDS. Isn't it possible that a very light cargo in the hold might require, in order to preserve the proper stability of the boat, the loading of a heavy cargo on the deck to bring it down and preserve stability? That seems like an improper way of loading cargo and yet, of course, it is possible they would have to do it.

Mr. CHAMBERLAIN. You do not always have to put all the heaviest cargo at the bottom?

Mr. GAHN. When boats are chartered, is not their load capacity determined then on the tonnage or whatever measurement the vessel might have?

Mr. CHAMBERLAIN. That is determined in the construction of a ship. The ship is built to carry so much cargo, isn't it?

Mr. GAHN. Then why do you need a load line?

Mr. CHAMBERLAIN. You need a load line to see that a man does not overload.

Mr. GAHN. Is not that covered by the tonnage measurement?

Mr. CHAMBERLAIN. You see, there are two kinds of tonnage; the measurement tonnage, which is the cubical contents, and the actual dead weight, which is another proposition. I do not think I quite grasp your question.

Mr. GAHN. The thing running in my mind is this: When a vessel is chartered, does not the Government give a certain maximum carrying capacity?

Mr. CHAMBERLAIN. All that the Government does is this; the Government measures the cubical contents of the ship in terms of cubical feet, each 100 cubical feet being called a ton, and the gross tonnage is the entire cubical contents. Net tonnage is what is left to carry cargo and passengers after you have deducted the propelling power, bunker coal space, crew space and all that sort of thing. Now the Government fixes that tonnage of spaces.

Mr. EDMONDS. It does not require that the boat be loaded with that tonnage, anyhow; no law requires that. The boat may be

7,200 dead-weight tonnage and you can have 10,000 tons in her. There is no law that requires you to carry 7,200 tons because the boat is 7,200 dead-weight tonnage. You might put lead in it and put 7,200 tons in it and sink it.

Mr. CHAMBERLAIN. If I may go back to the analogy I have used several times, practically all freight cars are constructed to carry a certain amount of freight, aren't they? Now you put on those cars a mark that they are competent to carry so many thousand pounds of weight.

Mr. GAHN. If you give a charter to a vessel to carry 5,000 tons, if she carries more than that you know it is possibly going to be overloaded?

Mr. CHAMBERLAIN. The object of the legislation is to determine the point to which she can be loaded safely at different times of the year and in different trades. You see, the load line is not the same and won't be the same under this bill for the same ship at all times. For example, the North Atlantic, in the wintertime, is very tempestuous, very likely to be, and the sea will wash over the decks of ship.

Mr. GAHN. Your understanding is they will make a different class of load lines according to the class of cargo they carry?

Mr. CHAMBERLAIN. No; not according to the class of cargo, but according to the depth to which she can be loaded with safety under different conditions.

Mr. GAHN. A vessel loaded with very heavy stuff, like lead, suggested by Mr. Edmonds, might not bring the vessel down to the waters edge and still it would be unsafe and overloaded.

Mr. CHAMBERLAIN. I expect a thousand tons of lead would not weigh any more than a thousand tons of feathers. The net tonnage of the ship determines how much space there is and a cargo of lead would only fill a little bit of it, whereas a lighter material would fill it all. The safety of the ship depends in part on the depth to which it can be loaded.

Mr. GAHN. Suppose you put all of that lead on the top deck, or the top part of the boat? It seems to me it would be more unsafe than if you were to put it down below and have an air space above the cargo.

Mr. CHAMBERLAIN. That is another factor.

Mr. DONALD. May I say right there: You raised the point about why have a load line. When you design a ship and fix on the scantlings of the ship, for a certain strength, you can only go to a certain load line. If you go over that load line, you destroy the strength of the ship. The strength of the ship, when it is being built, is taken into account when you fix the load line; they both go together.

Mr. EDMONDS. Do you get the idea?

Mr. GAHN. I get the idea.

Mr. DONALD. So that is fixed upon the strength of the ship when she is built; they go together.

Mr. GAHN. What I would like to know is how that makes the vessel more safe and seaworthy than to fix the amount of cargo she can carry when she leaves port.

Mr. DONALD. Besides that, after you load to that line, we have certain deck spaces and buoyancies; that is, the space from the main deck to the water line permits her to have a buoyancy when she comes in a sea and the waves come over her so she will recover and won't founder. And that reserve point is taken into account in fixing the freeboard for the load line.

Mr. GAHN. I have heard of vessels going down because they were improperly loaded for instance, they were loaded so that they were top-heavy, and yet they might not have reached the load line.

Mr. DONALD. Certainly. We are not going into that now; we are trying to fix the load line first. Mr. Pendleton has some conditions we do not find in the modern steamship business that he seems to find in the sail ship business, and I just want you to understand the reason for fixing a load line, because it should be fixed according to the strength of the ship at the time she is built.

Mr. GAHN. If I understand the purpose, it is simply to draw a line around the vessel and say if she is not loaded above that line she is seaworthy?

Mr. DONALD. Yes; and the particular kind of the vessel, too.

Mr. LAZARO. I would like to ask Mr. Chamberlain a question. You just made the statement a while ago that the size of the cargo was a mathematical proposition solely, did you not?

Mr. CHAMBERLAIN. That the size of the cargo——

Mr. LAZARO. Yes; the size of the load was a mathematical question.

Mr. CHAMBERLAIN. It can be determined mathematically, yes; either by weight or by measurement.

Mr. LAZARO. And the other gentleman said it ought to be left to the judgment of the captain, did you not?

Mr. PENDLETON. Yes, sir; and the crew.

Mr. LAZARO. Whose lives were at stake?

Mr. PENDLETON. They have their own conscience and their own lives at stake.

Mr. LAZARO. And judge at the moment what ought to be done. Now, without the law is there any influence—I do not know much about that—that is brought to bear on the captain and crew to have them ignore their judgment?

Mr. PENDLETON. No, sir. If you put this load line on the vessel and make it a Government matter, though, you will compel the master, when he is under time charter, to load the ship down to that line, whether he is going through hurricane or calm weather—you can compel him to load to the same line.

Mr. LAZARO. I got that point, but what I wanted to find out was whether there was any influence being brought to bear in this business upon the captain and crew to make them do anything against their judgment?

Mr. PENDLETON. The masters are supreme in command, or supposed to be, in United States ships. That is the reason we claim that the American ships to-day are so much safer than any other ships in the world—because the master can determine how deep to load the ship. And that is the reason they are safer to-day, and the records show it, because he won't load down deeper than what he thinks it should be loaded.

Mr. CHAMBERLAIN. The reply to that question, as I understand it, is the ordinary commercial considerations that lead men to make money as fast as they can. Now, the carrying of a load line—Mr. Pendleton's objection is a rather novel one to me, that he is afraid that the Government will compel ship masters to overload their

ships. I think that is a proposition that I would leave to the judgment of the committee, without discussing it. As a matter of fact, ships are run to make money. Cargo ships make money by carrying cargo and presumably the more cargo they carry on a given voyage the more money they make. Those, I think, are elementary commercial considerations that enter into the mind of every shipowner.

Mr. GAHN. But not the master?

Mr. CHAMBERLAIN. Oh, the master carries what he is told to carry.

Mr. LAZARO. But not to the extent that they would influence the captain and crew in any way to overload, would they.

Mr. CHAMBERLAIN. The captain represents the owner.

Mr. LAZARO. Would not the owner trust the judgment of the captain rather than lose his ship, maybe?

Mr. CHAMBERLAIN. There you bring in all the complicated elements that enter into any commercial transaction. Some men, as you know, in some lines of business take considerable risk, don't they, risks much beyond what other men will take; and those risks are moral risks, they are risks that affect the safety not only of life and of capital, but of the ship and of the cargo. Now the whole theory of this legislation—you may object to the theory——

Mr. LAZARO. That is what I am getting at; that is what I want to know something about.

Mr. CHAMBERLAIN. The whole theory of this legislation is that Government legislation is necessary on so fundamental a matter as this, which affects the safety of navigation when that safety is offset against the natural commercial instincts of men to make as much money as they can. Now precisely the very argument, may I say, that has been advanced by Mr. Pendleton in the course of his questions, would apply with equal force to every law you have in this book [indicating], that Congress has seen fit to pass since the beginning of the Government, that the master and owner are the men to be trusted to look after all elements in connection with the ship. Now, I am frank to say, I have a great deal of sympathy with that attitude, and one reason why I have never had this load line proposition up before was because I was not prepared to do so, although I was urged to do so, until we had an actual situation which demanded it. The actual situation which demands it now is this: We have ships now to which it would be applicable. Before we did not have the ships. We are also surrounded by nations which have this law, and they have not gone into it in a blind way at all; they have gone into it after mature study and work.

Mr. LAZARO. You mean this law we propose to pass?

Mr. CHAMBERLAIN. Substantially this bill. It is subject, as I said very frankly, to certain objections like that one Mr. White raised.

Mr. LAZARO. What nations?

Mr. CHAMBERLAIN. You have the United Kingdom across the Atlantic; you have Japan, which passed its law in March and which will be going into effect very soon—they are all recited in that little pamphlet—and you have the Norwegian law.

Mr. EDMONDS. The French law and the Italian law.

Mr. LAZARO. And this proposed law, you may say, is copied after the laws of other nations?

Mr. CHAMBERLAIN. It is modeled on that; it is modeled on the legislation of other countries.

Mr. GAINES. Does it not go much further in its penalties and requirements than their laws—than either the British or Japanese law?

Mr. CHAMBERLAIN. I think it goes further in its statutory form than the British law, and that was pointed out very clearly by Mr. White, and that the British law is more effective in other parts of the world than ports of the United Kingdom than one might infer from a mere study of the statute itself.

Mr. LAZARO. Which nation has the oldest law?

Mr. CHAMBERLAIN. Oh, the British started it.

Mr. LAZARO. Do you agree with the gentleman that the record made by us here, without this law, is better than their record with this law? He made that statement.

Mr. CHAMBERLAIN. Yes; I know. But here are the facts: Before we had our ships marked with the load lines we had very few ships to which this bill would be applicable. Since 1916 our ships are marked with the load line; so that you are not doing anything unusual. The fact is that out of about 3,500 ships that would be subject to the terms of this bill as it stands now, about 2,000 of them are marked now. They are marked according to the British law, according to the British rule, and we stand by. They are marked already and this bill does not change the physical fact; and as Mr. Edmonds indicated, we want to do our own marking ourselves under our own legislation, and to get for that legislation a recognition which other nations ask for their laws.

Mr. GAHN. Was this legislation prompted by the Government or by private owners and private organizations?

Mr. CHAMBERLAIN. Well, it originated in the Department of Commerce.

Mr. GAHN. For the Government ships?

Mr. CHAMBERLAIN. For all ships to which it is applicable—Shipping Board ships and others. The Shipping Board has seen the necessity of this legislation. I think I am justified in saying that; I do not think I am going too far. If I am, I will take it back, because I am not authorized to speak for the Shipping Board.

Mr. GAINES. I do not think you are justified in making quite so broad a statement as that.

Mr. GAHN. The Shipping Board can make their own regulations about the loading of their ships, can they not?

Mr. CHABERLAIN. The Shipping Board classify their ships mainly in the American bureau, and your American bureau puts a load line on; and the load line they put on is according to the British regulations.

Mr. GAHN. It is not a question of safety then, is it; it is simply to get a law of our own?

Mr. CHAMBERLAIN. To get a law of our own. In other words, to be on a plane with the maritime nations by which we are surrounded.

Mr. GAHN. But having a law of our own won't make the vessel any more safe?

Mr. CHAMBERLAIN. Not for the vessel that is already marked according to what the law is going to be. And that, in part, I say, is an answer to the question Mr. Pendleton propounded of how it happens that American vessels are so safe. These ships, I am frank to say, won't be any safer—the ships that are already marked according to

this system. The marks are not likely to be changed and they are not going to be any safer when the Government stamp is put on than they are without it; but we do not have any standing.

Mr. EDMONDS. Mr. Donald appeared before the committee when we had this matter up before, as one of the members of the United States Shipping Board, and was very much in favor of the act, was he not?

Mr. GAINES. Yes; Mr. Donald was in favor of the act, except he qualified it by saying he did not wish a condition which would permit the foreigner to load 7,000 tons on a ship which, if it flew the American flag, could only load 5,000 tons.

Mr. CHAMBERLAIN. Do you suppose Mr. Donald is alone in that feeling?

Mr. GAINES. No; I know he is not alone.

Mr. GAHN. Will this bill contemplate the control of the load line of foreign vessels which enter ports of the United States?

Mr. CHAMBERLAIN. Yes; it so provides.

Mr. EDMONDS. As a matter of fact, the laws of both Japan and England provide that foreign ships entering their ports shall conform to their law in regard to the load line.

Mr. GAHN. Will you tell me, Mr. Chamberlain—and this is the last question I will ask you—what necessity there is on the Great Lakes for a load line?

Mr. CHAMBERLAIN. Well, the same general situation applies to the Great Lakes, except so far as foreign legislation is concerned, that does elsewhere. But you will notice that this bill is drawn—A and B are obligatory under the act. C, which is the Great Lakes part, is left optional with the Secretary of the Treasury. Before he left Mr. Scott said that the bill as drafted, and undoubtedly he is right, provides that it should not apply to the Great Lakes until after two years. Now, as a matter of fact, there are about 3,500 ships that would be subject to paragraphs A and B; seagoing ships, not on the Lakes at all, and if anybody expects that those 3,500 ships, with those that will be coming on, can be gone over and inspected and marked in two years, he antipates a much larger inspection force than I am very sure the Congress is ever going to grant or that we would ever have the hardihood to ask for; in other words, it is going to take probably two years to carry out the first two parts of that act.

Mr. LAZARO. Will this bill add much to the expense account of running the American ships under the American flag?

Mr. CHAMBERLAIN. I do not see why it should. As I say, a large part of it——

Mr. LAZARO. You know one of the arguments used now against our being able to operate an American merchant marine is too much expense and too many regulations?

Mr. CHAMBERLAIN. Undoubtedly perfectly true, and I am in thorough accord with that statement. On the contrary, we are now getting along by sufferance with the British authorities. They have given to our American bureau a recognition which they do not give to their own classification societies. They have done that for a great many reasons; I have no doubt political reasons enter into it. They have done it, but it is something they can stop at any time; and when they do choose to compel our ships going to British ports to stay there until they are marked by British officers according to British law—they are already marked according to the British law—they can do so. And the same with Japan.

Mr. EDMONDS. Now, if there are no other questions of Mr. Chamberlain——

Mr. JONES. I would like to ask one question. Mr. Chamberlain, it is true, is it not, in the British law, that their law provides that whoever shall load a ship below the mark, without reasonable cause, shall incur the penalties; and that everybody that has operated any ships knows that foreign competition is pretty generally considered reasonable cause?

Mr. CHAMBERLAIN. Oh, no; I never heard that.

Mr. JONES. But that is in the British law, that reasonable cause provision?

Mr. CHAMBERLAIN. Yes.

STATEMENT OF MR. S. D. McCOMB, OF NEW YORK, N. Y., REPRESENTING THE AMERICAN INSURANCE CO. AND OTHER MARINE INSURANCE COMPANIES.

Mr. EDMONDS. Mr. McComb represents several of the large insurance companies in New York. I suppose he will tell us who they are. State who you represent, Mr. McComb?

Mr. MCCOMB. The American Insurance Co., of Newark; the American Eagle, of New York; the Continental, of New York; the Fidelity Phoenix, of New York; the Globe & Rutgers, of New York; the Glens Falls, of Glens Falls; and the Hanover, of New York.

Mr. GAHN. Do you represent any British insurance companies?

Mr. MCCOMB. No; only American insurance companies. I would like to bring out, in connection with the questions that have been asked of Mr. Chamberlain, one very essential difference between the load line and the loading of the vessel. In the general loading of a vessel, the question of the stability of the vessel is involved, and a vessel might be designed that could safely carry 5,000 tons, that would be in a most unstable condition with only 2,000 tons on board of it if it were improperly placed. A vessel, you might say, balances around what they call the meter center of the vessel, the point on which she swings, and if the center of gravity gets above the meter center, why, she will turn upside down and go below the water; and the load line solely limits the amount of the cargo that can be put into a vessel and has nothing whatever to do with the distribution of the weight. A building might be perfectly safe to load a thousand tons on a floor, but if you concentrate that thousand tons the floor would go through. So that really is the essential difference between the general problem of loading the boat and the load line, which solely fixes the total weight of cargo that can be put on board of the vessel.

Now, practically every civilized country in the world to-day has a load line and that line applies not only to vessels of the nationality of that particular country but to foreign vessels entering the ports of that country; and the first country that got up load lines were the British. Along in 1903 the German merchant marine began to amount to something and the big German liners began to appear and the Germans decided to put a load line of their own on German boats and applied it to British boats coming into German ports as

the British had been doing to the German boats. That resulted in an international conference and to some extent in the point Mr. White brought out, that if a British boat goes into a French port or a German port it becomes subject to the French and German load line requirements. So that those countries had an international agreement, very much like our State automobile laws here, where a Jersey car can come over to New York. It was a reciprocal agreement. So that the British line is recognized to-day in the French, German, and Italian ports and their load lines, in turn, are recognized in the British ports. And this bill contemplates that situation and provides that these foreign countries must recognize the line put on by the United States in their ports as equivalent to their own line, or they will be subject to having the American line put on their boats that come here.

Mr. LAZARO. One question in that connection. They decided to reciprocate, but they did not work with a view to enacting similar laws in the different countries?

Mr. MCCOMB. They are almost identical.

Mr. LAZARO. But they are not identical, are they?

Mr. MCCOMB. No, sir; for this reason: In 1913 an international meeting was called of all the countries having a load line to meet in London in September, 1914, and the British board of trade prepared very elaborate rules for determining load lines and the other Governments, I presume, were going to do the same thing, but in August, 1914, Germany and England were at war and the international conference has never been held. I understand, however, it will be called in the very near future, and the Secretary of Commerce has appointed this committee which will appear to-morrow with the American suggestions for providing America with a load line.

Mr. CHAMBERLAIN. May I interrupt for just a minute, bearing on that point? You recall the loss of the *Titanic*, which led to the international conference on safety at sea, at which Judge Alexander, the former chairman of this committee, was head of the American delegation. That conference started off with the idea of considering all questions relating to safety at sea, applicable not only to passenger ships but to cargo ships as well, in which this load-line matter would have been a fundamental matter; but when it developed, if the conference was going to get through inside of six or seven months it would have to restrict itself to passenger vessels, that is what it did, and that is what the treaty covered that was ratified by the Senate with certain reservations. And that conference constitutes a large part of the seaman's bill; that is, the lifeboat part and all that sort of thing. Now, the understanding—I say it was an understanding; of course, it was just talked of at that time, in January, 1914—was that this cargo boat conference should come along as soon as possible, probably the next year. Well, when all the nations that had been shaking hands around the table in January, 1914, were at one another's throats in August of the same year, or shortly after that, of course, all those things have gone by the board for the time being; but they will come along in the course of time. And when that conference is called, which should be in the course of a year or so, perhaps, the United States will be without any legislation or without any standing in particular on account of any statute or any actual work having been done on this proposition, whereas other nations

will have had their definite laws and be prepared to discuss the subject on the basis of definite achievements.

Mr. GAINES. Is there a conference which is to take place in October of this year of the character about which you have talked?

Mr. CHAMBERLAIN. No, not that I know of. There is likely to be an informal discussion on the part of two countries, but there will be no conference that I have heard of.

Mr. EDMONDS. Now, Mr. McComb, you may proceed with your statement.

Mr. MCCOMB. I was going to say that if the United States has no load-line law it is going to be in a very disadvantageous position. You pointed out that Japan has this law. We have no law, and if an American boat goes to Japan they can hold that boat up over there indefinitely while they are deciding her load-line feature, and it is possible that the Japs will not let him carry as much as we might have permitted him to carry, and he will have a permanent loss of freight and will also have the loss of time while the Japanese hold his boat over in Japan putting a load line on it. And the arrangement with England is only temporary and is more or less a war measure, and they can terminate it at any time now that peace has been declared.

Mr. LAZARO. Then, it is your judgment that with a law Japan would not interfere, and without a law she would interfere, and maybe to out disadvantage?

Mr. MCCOMB. Yes, sir. If we have a law, Japan will be willing to make a reciprocal arrangement, each recognizing the other's line.

Mr. GAHN. Does her law make that provision in it?

Mr. MCCOMB. They have a reciprocal provision; but you see, if we have no law there can not be any reciprocal arrangement.

Mr. GAHN. Is there a provision in the Japanese law that they will observe the United States law, if we have one, or any foreign law?

Mr. EDMONDS. I will read that and settle the questions on that score:

ARTICLE 10. This law shall be applicable to vessels other than Japanese vessels, being in the port within the jurisdiction of this law.

ARTICLE 11. When the load-line law and rules of a country to which the vessel in question in the preceding article belongs are considered appropriate by the competent minister of state, the load-line certificate issued under that law and rules, and the corresponding load-line mark, shall be recognized as equivalent to that issued and marked, respectively, under this law.

The provisions of the preceding paragraph shall not apply to vessels belonging to a foreign country which does not recognize the validity of the load-line certificate issued under this law and the corresponding load-line mark.

Mr. GAHN. It leaves it to the discretion of their Government official to approve of our law.

Mr. EDMONDS. Oh, well, it would be reciprocal. This bill leaves it to the discretion of our Government officials, also, to approve of their law. Therefore there would be a reciprocal arrangement between the two countries to recognize each other's laws.

Mr. GAHN. There is nothing in this bill that we shall observe their law?

Mr. EDMONDS. Section 5 covers it.

Mr. MCCOMB. Section 5 covers it. That is very similar to section 11 in the Japanese law. It provides for a reciprocal arrangement

and would give American vessels a better standing in foreign countries.

Mr. GAHN. Would it give them any better standing where it leaves it up to Japan to determine whether our law meets with their approval?

Mr. MCCOMB. This law leaves it entirely up to the Secretary of Commerce to approve of the laws of other countries.

Mr. GAHN. You would not be in any better situation, would you?

Mr. MCCOMB. Surely, because the Secretary of Commerce here can advise the secretary of commerce of Japan that, the laws being similar, "We will recognize the Japanese law if you will recognize the American law." As it is now, we have no law and the Japs will put their line on our boats. Every American vessel trading to the Far East will be detained by the Japanese while they put their line on.

Mr. LAZARO. Is not the situation like that pertaining to professions? In all the States they have boards of examiners for licensing practitioners.

Mr. MCCOMB. Yes, sir.

Mr. LAZARO. And, of course, one States reciprocates with another after that State has found out what kind of a law the other State has; is not that true?

Mr. MCCOMB. Yes, sir.

Mr. LAZARO. And if the other State has no law at all governing this profession, of course, the State that has a law will not consider the one without a law.

Mr. MCCOMB. No, sir.

Mr. EDMONDS. And if we pass this bill we will have the same police control over a Japanese boat that the Japanese have over our boat. Therefore, in order to preserve the equities, a reciprocal arrangement would naturally follow.

Mr. LAZARO. It places us on the same plane.

Mr. EDMONDS. Yes. In other words, we could hold a Japanese boat up for a week if we wanted to, and if they wanted to they could hold our boat for a week, and the natural result would be that a reciprocal arrangement would be made.

Mr. CHAMBERLAIN. It is exactly as they do in the steamboat inspection laws; we have a reciprocal arrangement.

Mr. JONES. If this reciprocal arrangement is the principal reason for urging this legislation, as has been suggested, and the benefits to be derived therefrom, and it appears that the American shipowners are almost unanimous in not desiring this legislation, then does not the reason suggested immediately disappear? In other words, you suggest an advantage to the American shipowner which the American shipowner does not see and does not want.

Mr. EDMONDS. The gentleman makes a statement which has not been proven up to this time, and I hope the American shipowners will give their statement when the time comes.

Mr. GIBBS. I am here representing the American Steamship Owners' Association, and I would like to take issue with this gentleman.

Mr. EDMONDS. Don't take issue with him now. We have not heard them yet, and you will have your chance along with the rest, and naturally we will know, when we get through, whether the American shipowners are in favor of or against this bill. I think it would pay everybody to go into the bill and see what is particularly objectionable in it, and then we can take up the question of having a law with a reciprocal arrangement that will be staisfactory all around. That is what the committee is trying to do; we are going to hear you all, and when we get through we will know the people who are in favor of it and those who are opposed to it, and why they are in favor of it and why they are opposed to it.

Mr. MCCOMB. In getting out the design of a ship the ship is really a floating girder, exactly as a bridge or arch or any steel structure. The ship is a floating girder and the calculations are made and an estimate made of the strength of that girder and the two end beams, just exactly as if you wanted to break that piece of paper [indicating]; you would have to tear the edge first. And you will find the steel vessels that are built are constructed along the shear strength; this is the upper edge of the vessel, and along here is the lower edge, which is the keel, and the strength of the vessel is determined by the amount of load it can carry if properly distributed. And to our minds the master of the boat is no more competent to judge the amount of weight that a boat is designed to carry than the elevator man in this building is to determine the load his elevator will lift. Now, he has a lot of experience in taking people up and down, but nobody would want to leave to the elevator man the question of how many people he is going to carry up on the elevator. And there might be two elevators that worked exactly alike and one could readily carry a thousand tons and the other one would break down if you put a thousand tons on it.

Mr. LAZARO. At the same time you would not want an arrangement so rigid that the elevator man could not use his judgment, on the spur of the moment, if he saw any change in the condition of the elevator, would you? In other words, you do not want to remove the human element altogether?

Mr. MCCOMB. Well, there is a maximum beyond which——

Mr. LAZARO. The man running a thing must be given some latitude, some degree of discretion.

Mr. EDMONDS. You mean the master of the ship?

Mr. LAZARO. Yes.

Mr. MCCOMB. But then you have a fixed upper limit beyond which he can not go; you can fix a maximum limit which is the greatest amount you can handle with safety.

Mr. LAZARO. Anyone running anything which requires some technical knowledge must have some qualifications, and if somebody on the side would attempt to fix it all for him, without leaving any discretion at all to him, accidents could happen as a result of some sudden change.

Mr. MCCOMB. I do not know how you find it in Washington, but in New York it is fixed and there is a sign up, "Limit, 12 passengers" or "14 passengers."

Mr. LAZARO. I agree with you on that, but I just want to bring out that in regulating anything I believe in being reasonable.

Mr. MCCOMB. Oh, surely; you have to have a slight amount of elasticity.

Mr. LAZARO. Yes.

Mr. McComb. That is true of anything. As to the load line, the maximum load that the vessel carries, it gets back to the strength factor, and the man who has designed the girders of the ship and who has calculated the strength of those girders is better able to give you the safety factor than the man who sails and handles the ship.

Mr. Lazaro. I agree with you on that.

Mr. McComb. That is what we want, because you can have two ships of the same dimensions, the same length, breadth, and depth, and one will carry much more than the other because of the material in her construction. The one having the greatest shear strength is the stronger boat, and therefore she will be able to carry a greater load.

Mr. Lazaro. I hope you get my idea on that. I agree with you on that, but sometimes a little while before a ship starts something may happen that will weaken the ship; is not that true?

Mr. McComb. Certainly.

Mr. Lazaro. And then, of course, you would have to depend right there, on the spur of the moment, on the judgment of the captain and crew?

Mr. McComb. Oh, yes. And another thing you have to rely on the captain for—you say the vessel can safely carry 5,000 tons of cargo but you have to allow the distribution of that 5,000 tons to be made according to his judgment, and see that he stows it so that he has preserved the trim of the ship and her stability: There is a load mark put on the ship which simply determines the maximum amount you can put on, which is all the load line undertakes to do; but it does not undertake to determine the distribution at all.

Another thing I think most important in this load-line feature is that it has a tendency of giving all shipowners an absolutely square deal; that is, the capacity is fixed for him—he can load 5,000 tons. Now there might be a case of two owners with similar boats in a competing trade, and one of them, to be absolutely on the safe side, might figure that that boat could only carry a certain amount. The other man, who is going to take chances, would carry more. I will refer to some cases where that has been done. Now, when the factor of safety of the ship is determined to be a given amount for two similar ships in the same trade, it is not fair to allow the man who is willing to take desperate chances to do it, along in competition with the prudent man who has a regard for the safety of life. And, at the same time, it also assures him that he can get the proper freight returns for operating the ship, because you can say you can safely go to sea because it has been calculated and figured out and your boat will stand that.

Mr. Edmonds. Let me ask you a question in connection with the attitude of the insurance companies toward the load-line. If I had a ship in Brazil and I was going to load her with a cargo for Italy, and I wanted you to insure that cargo and wired your office in New York to insure that cargo, what would you do?

Mr. McComb. Well, you would first look up the ship and you would see if she is a classed vessel.

Mr. Edmonds. Then you would look up the character of the owner, would you?

Mr. McComb. Then you look up the character of the owner.

Mr. Edmonds. Would you take a chance then? I have no load line on my ship; I load her just as I please.

Mr. McComb. Under your load-line laws, of course, if she is a British, French, or Italian ship, we know you can not load her below the load line.

Mr. Edmonds. What would you do with an American ship?

Mr. McComb. With the American ship, we would assume, now, that the American ships in foreign trade are following the British rules, because the American Bureau of Shipping, which corresponds to Lloyds Register, has put the load line they have over there on American ships; but they do not always follow it, Mr. Edmonds.

Mr. Edmonds. They do not always follow it?

Mr. McComb. No, sir.

Mr. Edmonds. Have you had cases where they loaded above the load line?

Mr. McComb. Yes, sir.

Mr. Edmonds. That you know of?

Mr. McComb. Yes, sir. And there have been times when you might expressly stipulate not to go below the load line and that has been done in a number of cases.

Mr. Edmonds. Does the placing of insurance on a boat like that, from one port to another, put the shipowner in a dubious position in the minds of the insurance companies?

Mr. McComb. Yes, sir.

Mr. Edmonds. You are not quite sure they will follow the load line?

Mr. McComb. No, sir.

Mr. Edmonds. Therefore, you have to guess a good bit on the character of the owner and the character of the people?

Mr. McComb. You have to guess a good bit on the owner of the vessel. There is a case where you can not get away from the human equation. Two men might he operating boats in the same trade and in one man you have the utmost confidence and as to the other man you are not so sure.

Mr. Gahn. Do you insure vessels on the Great Lakes?

Mr. McComb. Yes, sir.

Mr. Gahn. Is it your idea this bill should cover the Great Lakes and require vessels on the Great Lakes to have a load line?

Mr. McComb. The big vessels on the Great Lakes have a load line; that is the depth of the harbors and locks of the canal.

Mr. Gahn. That is on the big boats; but how about the gravel boats and sand boats, and similar vessels?

Mr. McComb. The sand boats and harbor boats, I do not think there is any particular necessity for it; but on the big freighters I think they should have a load line.

Mr. Gahn. You say on the Great Lakes they are limited by their locks and harbors and by some of the channels, anyway?

Mr. McComb. They have been getting deeper all the time. Here is the thing: You take some of those boats and originally they were designed for 16 or 18 feet. Then they dig the channel to 20 feet, and that same boat is down to 20 feet. If they make the channel 22 feet, they make the boat 22 feet.

Mr. GAHN. I know; but they would have to reconstruct all the channels, wouldn't they? If they deepened only one channel, they couldn't do that, could they?

Mr. MCCOMB. Yes; because there are only two spots that catch them.

Mr. EDMONDS. I want to say I have seen some boats on the Great Lakes that were loaded in a very suspicious manner; they did not have enough freeboard and should not have been allowed to go out of port.

Mr. GAHN. A load line would not affect them.

Mr. EDMONDS. Oh, it surely would affect them. I have seen boats that I do not believe had six inches of freeboard.

Mr. GAHN. What character of vessel?

Mr. EDMONDS. Coal carrying boats.

Mr. GAHN. Six inches?

Mr. EDMONDS. Yes; 6 inches.

Mr. GAHN. At what time of the year?

Mr. EDMONDS. In the summer time.

Mr. GAHN. That might be perfectly safe in July and August.

Mr. EDMONDS. It may be; I do not know, but I am perfectly sure I would not want to be on the boat. I was on the Lakes in the summer and I went through the canal at Houghton, and the boat was so close I could touch it.

Mr. GAHN. Was that in the fall?

Mr. EDMONDS. No. But after we got out, we were going up and she was going up, and after we got out in Lake Superior we hit a storm and I would have hated to be on that boat.

Mr. GAHN. I would rather be on a boat that is heavier loaded in a storm than on one that is lighter loaded.

Mr. EDMONDS. I would not want to be on one with a freeboard like that.

Mr. MCCOMB. I have been on the Lakes on boats with a full cargo of ore, in the late season, and I was mighty glad when we were going into the Soo.

Mr. GAHN. That is the same feeling you have when riding on a railroad train during a storm; you are glad when it is over.

Mr. MCCOMB. I saw a train one day that was blown off the tracks.

Mr. EDMONDS. I remember distinctly this one boat. I often wondered whether it followed us out into the storm and what happened to it. I did not look it up to see, but if that boat got through that storm, it was pretty lucky.

Mr. GAHN. Statistics do not record very many catastrophies in the summer season on the Great Lakes.

Mr. EDMONDS. Why, in our testimony on the La Follette bill there were a lot of catastrophies testified to.

Mr. GAHN. Mostly in the fall, when the boat owners do not overload their boats; they do not want to lose them.

Mr. MCCOMB. They had a storm on the Great Lakes when they had 28 big freighters, I think, go down in one afternoon.

Mr. GOULDER. And that was a storm the like of which was never heard of in the history of the Great Lakes.

Mr. MCCOMB. The figures of Mr. Chamberlain's department, in which you may be interested, show that on the Atlantic coast the casualties would be 0.8 of 1 per cent, or 1 vessel out of 125; the total losses from foundered and missing ships on the Atlantic equals 0.16 of 1 per cent, or 1 out of 600. On the Pacific, for the same period of 10 years, there were casualties reported to the Bureau of Navigation of 1.34 per cent, or 1 vessel in 75, and the total losses in that 10-year period were 0.114, or 1 out of every 880. That is based on tonnage; in other words, 1 ton out of each 880 was a total loss each year.

Mr. EDMONDS. It is a better place to lose ships on the Pacific than on the Atlantic, then? [Laughter.]

Mr. MCCOMB. It is a little more favorable on the Pacific.

Mr. EDMONDS. This is for foundered ships?

Mr. MCCOMB. Foundered and missing.

Mr. EDMONDS. Were they confined generally to one owner—the ones on the Atlantic? [Laughter.]

Mr. MCCOMB. This is only a record of the figures. On the Great Lakes the casualties were two, or 1 in 50, and the total losses from foundering were 0.6 of 1 per cent, or 1 in 666.

Mr. GOULDER. Does that include 1913?

Mr. MCCOMB. Yes, it does. That is from 1909 to 1919. It includes the big year.

Mr. GOULDER. If you exclude the big year, it is pretty low, is it not?

Mr. MCCOMB. I do not know.

Mr. GOULDER. I would like to ask Mr. McComb on that Great Lakes tabulation for 1909 to 1919—I would like to have the records show, for the truth with reference to the Great Lakes, that the storm in 1913 was one the like of which was never known in the history of the lakes. Now, is it suggested, Mr. McComb, that any of those vessels were lost through overloading, by reason of having been overloaded?

Mr. MCCOMB. I have not got that information.

Mr. GOULDER. If you can not answer that, I will answer my own question. The answer to that question, Mr. Chairman, is this: I happen to know pretty intimately what that storm was, and ships that were light, ships that were in water ballast, ships that were in all trims were lost in that storm. It was the vortex of the storm; nobody could depend on his compass; nobody could tell where he was. It was in November. One of the circumstances related was that great bowlders up on one of the islands in Lake Superior were rolled from one side of that island to the other by the force of the wind, and no one ever heard or knew of a storm of that character before. There never had been one and probably never will be one again, and the 1913, November, storm, by reason of its wonderfully peculiar and extraordinary character, should be eliminated from any table. Ships with the Plimsoll mark and every kind of ship were lost in that storm.

Mr. GAHN. And some of them were light.

Mr. GOULDER. Some were light and some in water ballast.

Mr. EDMONDS. I think in the testimony in regard to the La Follette bill we all concluded that was an impossible situation that nothing could be based on.

Mr. MCCOMB. The load line has nothing to do with the storm at all. Now, Mr. Morris has referred to the *Meilero*, the *Cubadist*, and the *Hewitt*. The *Meilero* was built in 1917, 5,853 gross tons. She was classed 100 A–1 Lloyd's Register.

Mr. PENDLETON. And didn't she have a Lloyd's load mark on her?

Mr. McCOMB. She had a Lloyd's load mark on her, yes; but being an American ship she was not compelled to observe that law. Had she never loaded below that load line, there is no question but that she would be in service to-day instead of in the part of the Atlantic where she is.

Mr. PENDLETON. Have you any affidavits to show she was loaded below the load line?

Mr. McCOMB. Mr. Morris has it in much greater detail than I have. That is one case and the *Cubadist* is another. And here is a case where——

Mr. PENDLETON. That is the steamer that broke in two. I had a schooner right near her.

Mr. McCOMB. All right. Here is the *Meilero*. We have her load line on nine voyages, where she ran 26.9, 25.9, 26.3, and three where she was loaded to 27 feet; and the Lloyd's load line put on her was 24.65 feet that she could load in safety, and they were loading her down to the greatest draft of 27.6 feet.

Mr. PENDLETON. Whose ship was she?

Mr. McCOMB. The Cuban Distilling Co.'s ship. Now, the steamer *Hewitt* sailed from Sabine, Tex., on January 20, of this year, and we have a statement of the pilot to the effect that he discussed the question of her load when he took her down to the bar. He told the captain that the boat was overloaded. The captain said that he thought so; but as she was supposed to be loaded according to the orders of the owners, meaning the sulphur company, he supposed everything would be all right. He says, "I left the ship off the bar in good order, but in my opinion the vessel was so overloaded she in all probability broke in two before she got very far in the Gulf."

Mr. PENDLETON. What class did she have Lloyd's or the American Bureau of Shipping?

Mr. McCOMB. She was classed 100 A–1 in Lloyd's Register.

Mr. PENDLETON. And had Lloyd's load line on her?

Mr. McCOMB. And had Lloyds' load line on her. But that is this way: You take an American ship and put the Lloyd's load line on her, and it is nothing at all. You might just as well paint a four-leaf clover on the side of your boat. The owners absolutely disregard it. Lloyd's will put a load line on her, but the owner here says, "Load your boat down." And these are cases where the load line was put on and had she been a British boat she could not have loaded below that line; but, being an American boat, the American master has a right to load her down, and the result is we lost all three high-class ships.

Mr. GAHN. Does the load line prevent a boat from breaking in two?

Mr. McCOMB. A boat can break in two from improper loading. As I emphasized when I started in, a load line simply determines the maximum weight of the cargo you can put aboard of a boat. Now, you can put less weight than that on and so distribute it that you will break the boat in two. A boat, as I have already said, is like a girder. Now, you might distribute a load along that girder that it could bear very well; but if you concentrated that entire weight on one end you would pull it, and when the boat puts out to sea she works——

Mr. GAHN. A cargo vessel might be improperly loaded instead of overloaded?

Mr. McCOMB. If she carried a bulk cargo?

Mr. GAHN. Yes.

Mr. McCOMB. A bulk cargo is generally pretty evenly distributed. It is much more likely in loading a boat full with one commodity only to get a much better distribution of weight than when you have general cargo of varying weight.

Mr. GAHN. But it will break more easily, too, if it is improperly loaded, will it not—a bulk-cargo load?

Mr. McCOMB. You would have difficulty in not distributing bulk cargo pretty evenly throughout. If it is the same commodity—take a cargo of sulphur, grain, ore, or coal; it is like one of those Lake steamers, if you load in the forward hatches right up to the forward deck and then leave a long empty space and load again at the stern you would have a crown.

Mr. GAHN. I have in mind a Lake vessel.

Mr. McCOMB. You will find on the Lakes they have hoppers that pretty well distribute the load all along.

Mr. GAHN. And they are pretty careful about loading?

Mr. McCOMB. To get the even distribution; otherwise you would bend your boat.

Mr. GAHN. So that improper loading is just as apt to break a boat in two as overloading?

Mr. McCOMB. Oh, there is no question about that.

Mr. PENDLETON. A vessel can not break in two unless she is overloaded. She can go down, but she can not break in two.

Mr. GIBBS. Is it not a fact that for a given stre gth of ship there is a certain draft that that ship can have and not result in too high a stress in the material?

Mr. McCOMB. Yes.

Mr. GIBBS. In other words, if you have a ship of a particular strength, there is a particular draft that you associate with that ship; and if you go beyond that draft it results in stresses in the ship's structure beyond what it was designed to have?

Mr. McCOMB. Yes.

Mr. GIBBS. Now, if that ship meets bad weather when you have loaded it beyond the designed draft so that the stresses on the structure rise too high, the danger of the ship breaking in two, even though properly loaded, is much augmented? In other words, that ship can break in two in spite of having cargo properly stowed if there is on board of her too much weight and hence being loaded below its load water line mark. A ship is a girder; the upper side and deck plating is the upper member; the lower side and bottom plating is the lower member, which is what Mr. McComb has been talking about. You provide, when the ship is planned, for the amount of material in the girder with the intention that the tension or compression on the material in the top and bottom members of the girder shall be, let us say, 6 tons to the square inch; in other words, every square inch of section of that material is being alternately pulled and compressed with a pull or compression of 6 tons to the inch. Now, it has been determined by long experience, as a result of building a great number of steel ships, that if you much exceed that pull or compression of 6 tons the result is that the ship shows weakness, and if you persist in overstressing it will result in breaking the ship in two.

Now, when you overload a ship, when you put her down below her marks, instead of that stress in the structure being 6 tons in a seaway, it rises to, maybe, 10 tons or more. The result is when you get into a seaway and subject this girder to stress, if it is overloaded, even though the loading may be properly done, and it is distributed as well as it can be done, at the same time you get a stress on the upper member of the ship or the bottom member of the ship beyond what it is designed to have, and then you may break the ship in two, even though it is properly loaded.

Mr. PENDLETON. I would like to ask if the *Hewitt* was not a ship that had her machinery in the after end?

Mr. MCCOMB. I do not know.

Mr. PENDLETON. And she was classed and had her load lines on her and was a new ship, wasn't she?

Mr. MCCOMB. She had the load line painted on her, but that had nothing to do with how they would run her. They disregarded the load line.

Mr. PENDLETON. Have you any affidavits that show she was loaded below her load lines?

Mr. MCCOMB. I have these statements.

Mr. PENDLETON. That she was loaded below her load line?

Mr. MCCOMB. Surely. There is no question about her being loaded below the load line, at all; but the load line was just a line painted on her and was disregarded.

STATEMENT OF MR. WILLIAM D. WINTER, THIRD VICE PRESIDENT OF THE ATLANTIC MUTUAL INSURANCE CO., NEW YORK.

Mr. WINTER. I want to indorse what Mr. McComb has said and I want to speak, not from the technical side of this, but I want to speak from the point that Mr. Pendleton has raised about the matter being left to the discretion of the captain of the vessel. Mr. Chamberlain has brought out that prior to 1914 we had about seven vessels in the overseas trade—in the foreign trade. Mr. Pendleton is talking about sailing vessels, that used to be, before the war, manned by men from Maine and who were trained there and who built the ships and knew the ship from her keel to the deck; who knew how to build a ship, how to run her, how to load her, and how to operate her. And I submit that with the increase in our merchant marine from those seven foreign-going ships, to something over 2,000 and possibly 3,000, it is humanly impossible to develop the personnel of captain and crew that can safely be charged to proceed with the loading of the ship. It is no reflection on them to say they do not know how; they have not had the experience. And it would be folly, from an economic standpoint of the values involved, and the human standpoint of the lives involved, to leave the loading of these vessels to the human element. There is absolutely nothing in this proposed law that does an injury to any vessel owner; it merely puts on a mark of safety.

Mr. GAHN. Not to any vessel owner? How about the small sand and gravel vessels on the Great Lakes?

Mr. WINTER. This bill excepts vessels under 500 tons, I believe.

Mr. GAHN. These gravel boats carry that many.

Mr. WINTER. But I say this, that regardless of this bill I think it would be unfair not to have a load line assigned. There is nothing in the mind of any of the people in back of this bill to assign unfair marks to the boats; it is only to put on a maximum mark beyond which the boat can not be safely loaded. There can be no valid argument against this that is not grounded on selfishness. The marine underwriters, I think I can say, do not come here advocating this bill from the point of view of our business. It is true, whether this bill is passed or not, that the marine underwriters, in order to stay in business, must make sufficient out of their premiums to pay the losses. The result is that they have to maintain a sufficiently high rate of premium on all vessels so that when a vessel goes down that loss is distributed over the entire business, or the shock of that loss is distributed and so much wealth goes from the whole world. But I submit when life is lost there is no way, by insurance of otherwise, of caring for that. We have the best protection for our seamen; we give them the best working conditions and the best living conditions, even though some of that is a detriment to our trade. But I do say, as a Government, we do absolutely nothing to protect the sailor's life—he has no way of protesting if a vessel is improperly loaded. And I do say this—I have asked Mr. Pendleton if the captain of a vessel decided in his judgment that the vessel should not be loaded to the depth that the owner considered she should be, how long the captain would stay in the vessel.

Furthermore, I do not think it is fair to leave the loading of vessels to an untrained captain, to an inexperienced captain, and to the owners that we have necessarily in the last few years—new operators that are inexperienced. We might safely trust the loading of certain vessels to certain captains and certain owners; but I do not think we can safely leave the loading of vessels to untried men.

Furthermore, with the small number of foreign-going vessels we have had in the past, it has been necessary for the underwriters, to protect themselves and to protect the boats that they were insuring by their boards, to have warranties put in the insurances that vessels must be loaded under the inspection of those boards. Why was that done? Because there were owners, there were captains, who would willfully overload their vessels and put to sea in an unsafe condition. Now we have no force of law behind those warranties. We can refuse to take insurance; but if we do take the insurance we have merely the reliance on unseaworthiness.

This law would put a mark on the boats that would be a fair mark to the owners, that would be fair to the crews, and would give the underwriters a feeling, at least, that the boats were not overloaded.

Mr. GAHN. That is what is bothering me. I can not see that a load line, made from a mathematical standpoint, is as accurate at some seasons of the year as the captain's judgment, or even the owner's judgment.

Mr. WINTERS. I think perhaps your difficulty is with the load line. You will notice the British load lines, and it is proposed that the American load line would be similar, provides different depths to which the vessel can load at different seasons of the year and in the different trades. The British load line has a summer mark for the good summer season; then they have a winter line for the winter season; then they have the W. N. A., which is the winter north

Atlantic mark, which shows the depth to which you can load in the winter, between October and April in the north Atlantic. Then she has the deepest mark—the mark to which you can load between Singapore and Capetown on the summer run.

Mr. GAHN. This bill has not anything to do with that?

Mr. WINTERS. This bill merely provides for a load line. It puts in the hands of the Secretary of Commerce the creation of a commission of some kind to determine this load line. This committee that will report to-morrow has a plan of a load line that has an advantage over the British load line, by having made it from the viewpoint of America and American trade. The load line is designed to care for American Pacific voyages and West Indian voyages; for the hurricane season and then for voyages to the south Atlantic and for those across the north Atlantic. There will be nothing unfair to the ship owner in the establishment of the load line, because the load line will be a variable quantity; but it will not be variable with respect to any one season in any one route. There will be a maximum. Now the boats do not have to load to that maximum depth; but they can not load over it, or else some interested party can object and the vessel would be held up and reloaded and have the question thrashed out.

Mr. GAHN. And if they exceed the load line, then your companies will not pay the insurance?

Mr. WINTERS. No; I do not say that at all.

Mr. GAHN. Well, what interest have the marine insurance companies in this?

Mr. WINTERS. As I have already stated, the marine insurance companies have an interest merely from the economic and humanitarian standpoint. We would like to see a load line on because we feel in the long run it would reduce the cost of insurance, because the loss on boats would be less; but whether a load line bill is passed or not the marine insurance companies will get through, because undoubtedly they will charge over a period of years enough premium to cover the losses we suffer, or else we will have to stop business. We can not go on at a loss. But I do not want this committee to feel that we are urging this bill from any selfish standpoint. We are not. We can get through the way it is.

Mr. GAHN. Do not your policies of insurance, or whatever you call them, have a clause that the owners and operators must obey the laws?

Mr. WINTERS. We have not. That, of course, is written into the policy; it is understood.

Mr. GAHN. And if they do not, they do not collect the insurance?

Mr. WINTERS. No; that would only be evidence tending to show the vessel might have been unseaworthy.

Mr. GAHN. And if you have any evidence of that they can not collect the insurance?

Mr. WINTERS. If the vessel is unseaworthy they can not collect the insurance.

Mr. GAHN. If they overload only a quarter of an inch, she would be considered unseaworthy, wouldn't she?

Mr. WINTERS. That would not be absolute evidence that she was unseaworthy. It might be prima facie evidence she was unseaworthy

Mr. GAINES. Why is it that the American shipowners should be so much more severely regulated than, for instance, the British shipowners?

Mr. WINTERS. There is no thought of doing that. The British shipowner is regulated.

Mr. GAINES. What I referred to was the fact that the provision in the British law relates only to British vessels loading at ports of the United Kingdom.

Mr. WINTERS. Yes, sir.

Mr. GAINES. The proposed American law that you favor would apply to American vessels wherever they load, not simply when loading in the United States of America.

Mr. WINTERS. That is true; but the point has been brought out that if we do not have that provision we will be discriminated against in foreign ports—Japanese, for instance.

Mr. GAINES. Is it the danger, therefore, that Great Britain, because her law does not go as far as the proposed law, is going to be discriminated against? That brings up one of the things that has puzzled me. We seem to be constantly apprehending that somebody is going to do something to us, but we do not seem to think that Great Britain may be apprehensive of similar treatment. Specifically, therefore, to put the question, why, in your opinion, ought the American law, if one is passed, apply to American vessels in whatever ports they load throughout the world, and the British law should apply only to British vessels when they load in ports of the United Kingdom proper?

Mr. WINTERS. Personally—because I do not feel that because Great Britain has certain legislation we should follow in toto that legislation—I feel there is a deeper principle in this matter than any question of foreign laws or domestic laws. America needs her deep-sea tonnage; America needs to protect her seamen; she needs to protect her cargoes; and because some other Government sees fit not to do that in certain trade routes is no reason, that I can see, why the American Government should not take the lead, if you will, and protect her seamen and protect her economic interests wherever they may be.

Mr. GAINES. Then you do not agree with the argument that the reason for the bill is simply to coordinate our law with the laws of other nations?

Mr. WINTERS. I do not. That is merely one side of it.

Mr. GAINES. You think we ought to go on and set the pace?

Mr. WINTERS. I do; most certainly.

Mr. GAINES. Even though it entails hardships on the owners of American vessels?

Mr. WINTERS. But I submit that that argument is on the theory that an unfair load line will be assigned by the commission appointed for the purpose of determining load lines.

Mr. EDMONDS. I spoke a few minutes ago to Mr. Chamberlain in regard to the British laws. I am not so satisfied that contention is right. It says here in section 438 of the British law that the owner of the ship proceeding to sea must have a load-line mark. Now, how can that ship get to sea, being a British ship, without it has a

load-line mark? It must have a load line when it leaves the United Kingdom. And in section 442 it says:

> If any owner or master of a British ship fails without reasonable cause to cause his ship to be marked as by this part of this act required, or to keep her so marked, or allows the ship to be so loaded as to submerge in salt water the center of the disk indicating the load line, or any person conceals, removes, alters, defaces, or obliterates, or suffers any person under his control to conceal, remove, alter, deface, or obliterate any of the said marks, except in the event of the particulars thereby denoted being lawfully altered, or except for the purpose of escaping capture by an enemy, he shall for each offense be liable to a fine not exceeding £100.

It is perfectly plain to me that what they require in the English law is that when an English ship takes the English registry it has to have a load line; and this is simply an attempt on the part of some people to camouflage on the British law.

Mr. WINTERS. I think so.

Mr. EDMONDS. I do not think the British are so foolish as to pass a law not to be kept. It may be possible they do not carry it out and make them pay the fine; but section 442 is perfectly plain that when a ship leaves an English port it has to have a load line, and if she loads over that load line the owner or master is subject to a fine of 100 pounds.

Mr. WINTERS. I am not familiar with the British law, but I think a British sailor in any port of the world can refuse to sail with a ship if she is not so marked.

Mr. EDMONDS. Now, the Japanese law, article 12, reads:

> Except in cases specially provided for by the competent minister of state, if a vessel is employed at sea without a load line certificate, or proceeds or attempts to proceed to sea with the load line mark submerged, the master of the vessel or a person acting for him shall be liable to a fine of not less than 100 yen but not exceeding 2,000 yen.

That simply means wherever a Japanese vessel is at sea, or proceeds to sea, they are subject to this fine. I am not a lawyer, but that is as plain as day to me. It is simply an attempt on the part of some people to camouflage the British law. The British would not be so foolish as to pass a law like that and not intend to enforce it. Of course, I agree some of their people may evade the law when they are running around between different points.

Mr. PENDLETON. Do you think it will tend to the safety of American vessels to put a load line on them?

Mr. WINTERS. I do.

Mr. PENDLETON. Then how do you account for our vessels being safer than any other vessels in the world at this time, without a load line?

Mr. WINTERS. At this time?

Mr. PENDLETON. At this time; now.

Mr. WINTERS. If the facts go to bear that out, I do not know.

Mr. PENDLETON. They do. The Bureau Veritas and the reports of Lloyds show it. Now your company—of course an insurance company lives by its losses; if there were not any losses, there would be no insurance.

Mr. WINTERS. I agree with you.

Mr. PENDLETON. Now, your company was pretty profitable last year. Having collected something like $8,800,000 in premiums, your losses were $2,169,000. That is something.

Mr. WINTERS. But, gentlemen, let me explain: Mr. Pendleton would mislead you. The Atlantic Insurance Co. is a mutual company and the profits of that company are returned to the insured, so that the figures he has stated must be considered with that in view. Those are the gross premiums you are mentioning and the amount of the net losses. You are not deducting the reinsurance premiums paid; you have not deducted the dividends paid, in comparing it with the net losses paid. Now be fair.

Mr. PENDLETON. I took that from your own report, and it is $8,800,000 and the entire losses were $2,169,000. Of course, I understand you turn it back to your people; but I want to say, and I have said it many times, that I consider you have the best company in this country; but I am going to say they do not need any help from the shipowners here at this time. And I think, when they have built up their companies, it comes with poor grace to try to put the burden on the American shipowners.

Mr. WINTERS. I would like to ask, if Mr. Pendleton is going to have those figures read into the minutes, that the whole statement of the Atlantic Insurance Co. be read in, so that all the facts will be presented.

Mr. PENDLETON. I desire that.

Mr. EDMONDS. Will you present it? If the witness will forward those figures to the committee, they will be inserted in the record along with your testimony.

Mr. WINTERS. I will be glad to do that. I want to do that because Mr. Pendleton has referred to those figures, which are misleading. Furthermore, I have stated I am not here to urge this from the viewpoint of the marine insurance companies. We can get along without it. I am urging it merely from the standpoint of the economic and humanitarian consideration; that it is eminently fair to everybody.

Mr. EDMONDS. If the establishment of a load line will reduce the insurance rates in this country, I think it would be a very good thing.

Mr. FURUSETH. You spoke a little while ago something about the payment of losses, because of unseaworthiness. To what extent do you refuse to pay losses?

Mr. WINTERS. To what extent do we refuse to pay losses?

Mr. FURUSETH. I mean the insurance companies generally.

Mr. WINTERS. The insurance companies generally would only refuse to pay a loss on a vessel that sunk when there was good evidence that the vessel was unseaworthy; that is, good prima facie evidence. Of course, the matter would have to be tried out in the courts. We would not say a vessel is unseaworthy because the vessel put out to sea and was never heard from. That does not show she was lost because she was improperly loaded or overloaded.

Mr. FURUSETH. What percentage of claims of that description are disallowed by the companies or disallowed by the courts?

Mr. WINTERS. I can not tell you that. Compared with the total number of losses, partial and total, too, there would be very few. The statement that Mr. McComb read from the other report shows that the number of total losses compared with the total number at risk is very slight.

Mr. PENDLETON. One other question, if I may. Mr. Chamberlain's figures show that one out of 880 are lost, I think.

Mr. WINTERS. That is tons?

Mr. PENDLETON. Tons; yes. Why do you think it should cost us from 9 to 12 per cent to insure vessels, taking into consideration the low losses that have been shown here by the Commissioner of Navigation?

Mr. WINTERS. Those losses were not classified, Mr. Pendleton. You are speaking of 9 to 12 per cent respecting the sailing vessel tonnage, are you not?

Mr. PENDLETON. Yes.

Mr. WINTERS. The rates on steel tonnage are much lower than that.

Mr. PENDLETON. I know that. Some of them are just as high. It is 10 per cent on some steel vessels.

Mr. EDMONDS. Wooden steamers?

Mr. PENDLETON. No; steel steamers, only 6 or 10 years old.

Mr. WINTERS. There are good, bad, and indifferent steamers, and the rates are made accordingly.

Mr. GIBBS. Is it not a fact that the rate of insurance depends a great deal on the owner and what is thought of the owner?

Mr. WINTERS. Very much so. I think it would be fair to say in considering the risk—I mean in naming the final rate—the moral hazard of what that would be is 50 per cent of the problem. I do not mean the rates vary 50 per cent; but whether the underwriter takes the risk or not depends 50 per cent on who owns the boat and who is going to operate the boat.

Mr. GIBBS. What period of time is covered by those statistics of which you have been speaking? Do they cover the 5-year period?

Mr. WINTERS. It is from 1909, I believe, Mr. McComb?

Mr. MCCOMB. Yes; from 1909 to 1919; a 10-year period.

Mr. GIBBS. Is that what Mr. Pendleton understands?

Mr. PENDLETON. That is what I understand; yes, sir—a full 10-year period.

Mr. WINTERS. Which is a fair period to determine the average.

Mr. GAHN. From your viewpoint, how would this bill benefit the shipowners?

Mr. WINTERS. It would benefit the shipowners in this way, that every shipowner would be on a fair competitive basis with this fellow. The man who would willfully send his boat out improperly loaded could not do it; the man who was honest and loading his boats fairly would be in just as strong a position as would the unscrupulous owner—and there are such.

Mr. BLAND. Mr. Winters, you spoke of the people who are in back of this bill. Who are they?

Mr. WINTERS. There are no interests back of this bill that have any personal purpose; that is, any beneficial purpose, to themselves. It is just a general hope to get through legislation that will be beneficial to the country economically and humanly. The marine insurance companies are not urging the bill from the viewpoint of their own interests.

Mr. BLAND. The purpose of my question, however, was to identify the interests in back of it rather than the purpose of those in back of it.

Mr. WINTERS. The original bill came out of Mr. Chamberlain's department.

Mr. BLAND. That is true; but you referred in your testimony to the people who were in back of it. Were you referring to the marine insurance people?

Mr. WINTERS. I am referring to the marine-insurance people, and I am referring to the steamship interests, because there are steamship interests back of this bill. I refer largely to the personnel and those they represent who are on this commission—a private commission, if you will; not an official governmental commission, but a commission that has been lookir g into the matter at personal expense and not at Government expense.

Mr. BLAND. Are those marine-insurance companies subsidiaries of or affiliated with Lloyds in anyway. or are they purely American companies?

Mr. WINTERS. They are not. Our company is purely an American company; not affiliated with anybody.

Mr. BLAND. Is that true of all the companies represented here, do you know?

Mr. WINTERS. The Insurance Company of North America is an American company. Mr. Johnson has some English companies, I think.

Mr. JOHNSON. We have five American and three English.

Mr. GIBBS. We understand now that the period covered by these statistics for the loss of vessels, on which it is contended that the American losses are less than the foreign, comprise the last 10 or 11 years; in other words, from 1909, as I understand it, to 1919, or the last 10 years. Now, for the first part of that period we all know that the American merchant ships engaged in foreign trade were practically nil?

Mr. WINTERS. Yes.

Mr. GIBBS. Mr. Chamberlain has said there were seven. And during that period and until the last four or five years when we did have ships engaged in the overseas trade, the foreign ships—the British and other ships—were very largely engaged in the deep-sea carrying trade, running all the way around the world. Now, is it not a fact that the eaverage of risk and the average of loss should be taken from the time that our merchant marine actually represented a deep-sea carrying business, and not from the time when our ships were engaged in coasting work, in which the risk is far less than when you are sending ships in the deep-sea routes to the far ends of the earth.

Mr. WINTERS. I agree with you, Mr. Gibbs. And I think the further point ought to be considered that foreign ships during the war were subjected to hazards that American ships were not subjected to, and I presume—I do not know—these statistics might count in missing vessels that may have been due to war casualty and the exact cause of the loss never having been determined.

Mr. GIBBS. Is not this true, too: The foreign vessels during the war were neglected, principally the British, French and Italian, and a great many losses were put down as marine losses that were probably almost a war loss in this sense, that vessels were allowed to clear, due to the emergency of war conditions, at a deeper draft; in other words, that the British, during this emergency situation, when their ships were carrying food supplies and it was vitally essen-

tial to get every pound of material on them, particularly the oil tankers, they were allowed to load to deeper drafts and it was winked at as a war necessity?

Mr. WINTERS. That is true.

Mr. GIBBS. And if the ship was lost as a result of overloading, or due to the fact the ships were not kept up well because, due to the pressure on the repair yards of Great Britain, such ships could not be maintained as in peace—the fact is the efficiency of the crew, the navigating officers and everything fell off as a result of the war, and when ships were lost as a result of any of those contributing causes it was not put down as a war loss but was put down as a marine loss?

Mr. WINTERS. You are perfectly correct. In many cases ships were running without lights, and there were many casualties due to that.

Mr. FURUSETH. Do you claim that the deep-sea trade, the transpacific trade, or the trade through the big oceans, is more dangerous than the coastwise trade?

Mr. GIBBS. I say this, Mr. Furuseth, that to those people who are not experienced in it, it is. And, furthermore, when these ships of the British, the Norwegian, and the Danes are running around the world in routes little traveled, in which the men have not great experience, the risk and loss is greater than on the coast here, where they have the advantages of storm warnings and everything and where they can put into port. Now, mind you, I am talking about statistics which have to do with the overloading of ships, because those are the things we are considering now.

Mr. FURUSETH. You do not mean to claim, do you, that coastwise vessels are less liable to be overloaded?

Mr. GIBBS. I think that it is a well-known fact that the majority of the ships in the coastwise trade have freeboards or would be assigned freeboards under these laws which they never would ordinarily be loaded to; in other words, the freeboard marks are much higher. You take any of the steamers running in the coastwise trade to-day; the majority of them—I am not speaking of the bulkheading; I am speaking of the depth of the ship—the majority of them have freeboards, so that if you applied the ordinary freeboard rules to them they would not be affected at all. In other words, the draft marks would be very high on the side of those steamers.

Mr. FURUSETH. Their buoyancy would be less and their losses would be much greater.

Mr. GIBBS. I think that is a question of technical opinion. The depth of the ship—you noticed I ignored the question of the bulkheading—the depth of the ship determines the reserve buoyancy, when these ships are deep ships, as most of the coastwise steamers are, if they have the load line marked on them, according to the deep-sea trade they have not the cargo space, nor do they have the cargoes that will load them down to that deep-line draft.

Mr. FURUSETH. Isn't there a very large number of vessels in the coastwise trade and sometimes in the deep water trade of the United States that are purely single-deck ships?

Mr. GIBBS. That is perfectly true.

Mr. FURUSETH. Purely single-deck ships and they are loaded down until the water is over the midship section?

Mr. GIBBS. No; because the ship would sink.

Mr. FURUSETH. Well, I have been in more than 15 of those ships and they did not sink.

Mr. GIBBS. Well, I think you are very lucky.

Mr. PENDLETON. I want to ask the other marine insurance men here if they can give a satisfactory explanation why it is that the insurance inspectors, some men who have been to sea, surveyors, and masters of ships are, every one that I have ever talked with, against this bill.

Mr. WINTERS. I do not agree with you, Mr. Pendleton, because I have just said I am in favor of the bill.

Mr. PENDLETON. I can tell you the names, because I have most of them on a petition in New York, and there are about 500 names on a petition that went from the Maritime Exchange to the Commerce Committee, and your inspector was on it, Crockett was on it, Capt. Brewster was on it, and I think several others right around here.

Mr. WINTERS. I asked Capt. Crockett last night before I left was he in favor of a load-line bill, and he said "I certainly am."

Mr. FURUSETH. Did he specify this bill?

Mr. WINTERS. This bill.

Mr. GIBBS. May I ask you a question, Mr. Chairman? I want to know whether it is relevant here to say what other people think of it. It is my impression unless a person comes down here and says what he thinks of it, it is not to be taken cognizance of.

Mr. EDMONDS. Of course, we take what it is stated they think of it in the testimony, but we would vastly prefer to have the witnesses confine themselves to the facts.

Mr. GIBBS. I think so; I think it is advisable.

Mr. EDMONDS. Of course, you are advising the committee. The committee is sitting here with an open mind on it. We want to know whether load lines are good or bad; whether we ought to have them in all of the business or part of the business. You are practical men in the business coming down here to tell us what you think. After you get through, we will take the matter up and make up our minds whether it is the right thing to do; and, if it is the right thing to do, how far we ought to go with it and how to go about it. It is up to you to get the material in on which we can work. The bill is here as an outline of the scope of the law proposed. If there are any objections to the bill, they ought to be shown; if there are objections to certain parts of the bill, they ought to be shown, and the thing ought to be well thrashed out.

Mr. MCCOMB. I have some more figures that may answer Mr. Pendleton's question about the high rates on wooden schooners. These are the Commissioner of Navigation's figures on wooden sailing ships above 100 tons, and the total tonnage at the beginning of the year, with the tonnage total loss during the year. And in 1914 there were 855,000 tons of wooden sailing ships afloat. In 1919 there were 672,000 tons afloat. You see, it is a class of vessel that is disappearing rapidly. And the percentages of total loss during the years are 5.92, 6.79, 8.04, 7.25, 5.78. That is a little over 6 per cent of the tonnage that was a total loss from marine perils every year.

Mr. GIBBS. Total losses; it does not account for the partial losses?

Mr. McComb. Total losses. Now, that 6 per cent pays only for the total losses, and the small claims and damages you have to pay are from double to four times what the total losses are. So that probably the cost of upkeep of those wooden schooners would be in the neighborhood of about 18 per cent a year.

Mr. Pendleton. I want to answer that by saying most of those risks incurred during the war were in going across, and some of them paid anywhere from 15 to 20 to 25 per cent for the war risk or going across.

Mr. McComb. That is not a marine risk.

Mr. Pendleton. That is the war losses.

Mr. McComb. No; the war losses are excluded from that.

Mr. Edmonds. If it is a question of wooden ships, I will say in our insurance investigation we found the American companies did not care much about taking wooden ships at all, and the only proposition that looked practicable to insure the Shipping Board wooden ships was a proposition from a French insurance agent of nonadmitted companies to take it at something like 11 to 12 per cent, the reason being that nobody here wanted to carry them at all.

Mr. Pendleton. That is right, Mr. Edmonds, and they are the only class of ships that none of them have gone out and filled up, with a dead-weight cargo in them. Your steel ones have filled up, but the wooden ones, so far as I have been able to trace, there has not been one that has gone out and filled up at sea, by reason of being leaky—not one of the wooden ships.

Mr. Edmonds. What do you know about the *Red Cloud* and the *Kenebec*. The *Kenebec* is a wooden ship built by the Merrill Steamship Co. in Jacksonville, Fla., and she sailed four days and then was put on the mud bank.

Mr. Pendleton. She did not fill up. I said at sea, with the cargo in her.

Mr. Edmonds. I know we lost enough money on them building them.

Mr. Pendleton. That is true, but they earned just as much as the steel ones of the same size.

Mr. Edmonds. They did not earn anything.

Mr. Pendleton. The steel ones did not?

Mr. Edmonds. The two I mentioned did not, because one of them carried a cargo of phosphate from Florida to New York and the other from Port Arthur, Tex., to New London, Conn., and they had the deuce of a time getting the cargo out of them, and then they put them on the mud flats.

Mr. Chamberlain. Before you take a recess, I have here a proposed redraft of the administrative section which I overlooked for the time being.

(The redraft of the section is as follows:)

Sec. 9. That the Secretary of Commerce is hereby authorized to employ in the District of Columbia and if necessary elsewhere three men skilled in ship construction and the necessary technical assistants, draftsmen, and clerks, in all not exceeding nine, who shall aid in the preparation of regulations and in the enforcement of the provisions of this act.

Sec. 10. That this act shall take effect four months after the date of its approval.

(The committee thereupon took a recess until 2.30 o'clock p. m.)

AFTER RECESS.

The committee reassembled at 2.30 o'clock p. m., pursuant to the recess, Hon. George W. Edmonds presiding.

Mr. Edmonds. Who is the next gentleman in favor of the bill that wants to be heard? Mr. Gibbs, do you want to be heard next?

Mr. Gibbs. Yes; I would like to appear.

Mr. Edmonds. All right, you may proceed. Give your full name and whom you represent.

STATEMENT OF MR. WILLIAM FRANCIS GIBBS, CHAIRMAN OF THE TECHNICAL COMMITTEE OF THE AMERICAN STEAMSHIP OWNERS' ASSOCIATION.

Mr. Gibbs. My name is William Francis Gibbs. I am the chairman of the technical committee of the American Steamship Owners' Association.

Mr. Edmonds. What is your business, Mr. Gibbs?

Mr. Gibbs. I am a naval architect and marine engineer.

Now the American Steamship Owners' Association, for your information—I take it you are familiar with it, but I want to make it plain to everybody—is an association of shipowners which has in its membership a large majority of the owning companies—I think there are 71—and the members of the association own between three and three and a half million gross tons of shipping.

At a recent meeting of the executive committee of the association, which acts for the association between regular meetings, the following resolution was passed and a subcommittee of our committee was asked to come and appear before your committee and present these resolutions, and to amplify the resolution that was passed and give you what help we could in considering this subject. The resolution is as follows:

> We approve the principle of a load line, but feel strongly that American shipping should not be saddled with any further handicaps at present, and therefore are not in favor of the adoption of a load line by Congress until a uniform load line can be fixed through international negotiations, to the end that the rules governing the application of the proposed load line on American ships shall not place American vessels at a disadvantage with the shipping of the other maritime nations of the world.

In the discussion on that subject, and generally, it was the feeling of the association that they strongly approved the principle of load line; that they would be in favor of a bill that would generally have in it the provisions of this present bill with an additional provision that an international conference would be called, or held, and the various regulations under which load line is being administered in the other countries brought into accord with what the United States might propose, or what the United States might be willing to accept. It seems to me that on that general proposition there can not be two opinions. I think that nobody to-day having to do with ships at all would be willing to go back to the time when there were no lifeboat regulations or no regulations in respect of life preservers or other safety appliances. When you have legislation as we have and all civilized nations have providing for lifeboats, there are always provisions for the number of people that those boats can carry. In other words, a lifeboat is obviously useless if you load it with so many people that it will sink; therefore we have regulations, and

every civilized nation has a regulation on the freeboard of lifeboats, because it is automatic; they say how many people can be put in a lifeboat, this determines the draft, it is wise to settle it, and it is wise not to leave life-saving equipment to the discretion of steamship owners or anybody else except a Government agency, because if you did you would have steamship owners who are reasonable, careful, who might equip their ships with a certain number of lifeboats that would carry a certain number of people and be perfectly safe; the other fellow, in order to get a commercial advantage, would fit his ships with less lifeboats and he would get a commercial advantage, and this is just what is happening in the case of the load line.

Now, if you legislate—and we have legislated, and nearly every nation has legislated—establishing the principle of a certain freeboard for a lifeboat, how much more necessary is it to legislate on the principle of the freeboard of a merchant steamer that people go to sea on? And I think a grave misconception has grown up in respect of this load line legislation generally.

We speak here—and I have noticed this morning in the discussion it has crept in more than once—that we are passing a load line bill that fixes the load line on ships, and the inference has been that that is an arbitrary thing; that it may work to the disadvantage of people. However there is not one thing in this bill as it stands that fixes the load line, the position of a load line. With this bill and nothing more you would not know whether the load line was to be high up on the side or low down on the side of a ship. Now the position of that load line is left to a department of the Government that more than any other department of the Government is interested in furtherance of American commerce, and it seems to me that the last thing that the Department of Commerce of the United States would want to do would be to put on American commerce any considerable disadvantage. This enables anyone who is aggrieved, anyone who feels that he is being discriminated against, anyone who desires a type of ship that is extraordinary and has in it certain merits that other ships may not possess, to appear before the Department of Commerce, whose experts will be in charge of these regulations, and point out their grievances or the advantages that his ship possesses, by which he is entitled to a more favorable load line than a ship of an ordinary type, and obtain it if it is compatible with safety and if it is compatible with common sense.

Now I feel that the great importance of load line legislation or load line regulations is in putting everybody on all fours. You have heard Mr. Pendleton this morning tell of the great intelligence and care that his captains use in loading his vessels—and they may be very excellent men; they may be able to do that very skillfully, but it seems to me that that is not a thing that you can generally apply. You never pass regulations, you never pass laws for the exceptional man; you pass them for the everyday man, and unless you pass a regulation and fix the position of a load line for the various trades and various types of ships, you will have unscrupulous individuals—because there are always in this world unscrupulous individuals—who will take advantage of that situation.

And furthermore, Mr. Pendleton brings up the case of the fellow who charters a boat. There is absolutely nothing in this act, there is nothing wanyhere in it that forces a man who considers that his

load line is placed too low, to load his ship down to that load line. Now, if he charters a boat to somebody, and he says that he thinks that his boat at the load line that is marked on it is at too great a draft and will carry too much weight, the thing for him to do is not to charter that boat as a 10,000-ton boat, for example, which is drafted on the load line, but to charter it as a 9,500-ton boat, or whatever he thinks the boat is fit to stand. This is exactly the process that is gone through with in respect of the classifications of the classification society in telling you whether a boat is safe to load with a certain load. You take a vessel that is classed in Lloyd's or the American Bureau of Shipping, and after that ship has been in use for a great number of years and its plating is depreciated and the ship runs down, they will say to you, "well, now, you can't have the draft that you had before," which let us assume was 25 feet. "Your ship is only good enough now to have a draft of 24 feet," or 23 feet, or 22 feet, and they give you that new draft because your ship in respect of strength and everything else is only up to carrying that much. In other words, it no longer is a 10,000-ton boat. It may only be a 9,000-ton boat.

The question of the safety of the ship and the proper load line to apply, as I said in answering questions this morning, has to do with the strength of the ship, and it is very important to remember that when you overload a ship you are putting stresses on the structure of the ship, no matter how well it may be loaded, that the ship was never designed to stand. In other words, it is just like the case that was brought up this morning of the railroad car. Here these big gondola steel cars are rated to carry, I think, 110,000 pounds. If you consistently put on that gondola car 150,000 pounds, the car is going to give out. No power on earth will prevent it, no matter whether you load it well or whether you load it poorly. That is the case with a ship.

The thing that I feel very strongly we should keep in mind is the fact that we want to be fair to everybody. Now, that is the basis on which the Steamship Owners' Association passed this resolution; it is the basis on which they are prepared to stand, and I may say that this resolution can not be passed by the executive committee of the association unless there is a two-thirds vote on it. But the association feels that they do not want anything that will place American shipping at a disadvantage, but they do believe in the principle of the load line. You may say to me in answer to that, "Ain't they in favor of the abstract theory of safety?" Of course they are, but this is the fact, the establishment of a load line is a very difficult technical thing to determine. I had the pleasure of being invited to sit in the meeting that took place yesterday of the technical committee that Mr. Chamberlain has described to you. I was invited to attend those meetings, and I did, and it would astound you to know the difficulty of dealing with the problem from the technical point of view. It involves long and laborious calculations to define a system of dealing with these things, and it is a very complicated thing.

The difficulty with anything dealing with safety is that there is no standard that you can apply. In other words, you don't have so many feet for safety. Ten feet, for instance, doesn't represent safety. It is something that you can't get hold of, and you have simply got

to adopt those measures and those views that recommend themselves to the men who are familiar with the subject, the trained men, as nearly as possible meeting reasonably the situations that they are designed to meet. In other words, there is no question that in sending ships to sea with a good deal more freeboard, less draft, than these ships that are sent out in the wintertime, loaded to their marks, would result, so far as the storm hazard goes, in greatly reducing the risk of damage, but by reducing draft you seriously affect the earning power of the ship, and therefore the position of this load line and the draft which the ship is permitted is a consideration on the one hand, of the safety of the ship and on the other hand, its commercial possibilities.

Now, when you say, "We object to a load line except the other foreign nations agree with us," our reason for that is that it is very difficult to say within close limits just where that load line should be. It is absolutely essential to have a load line to prevent the unscrupulous taking advantage of not having one, but it is equally important to have a uniform one, so that the American ships are at no disadvantage with those of foreign nations.

I am convinced from what I have seen of this situation and the deliberations of this other committee, and the status of the situation in Great Britain and elsewhere, that an international conference should be called in the very near future, and an agreement had among all of the principal maritime nations on a uniform system of load-line rules that would be uniform for all the maritime nations of the earth. I am convinced that this could be done, and done reasonably promptly, because the differences to-day between them are slight. They are relatively slight.

Mr. EDMONDS. Mr. Gibbs, right on that point, what about our present position with England and Japan, we will say? Do they require a load line on ships that leave their ports?

Mr. GIBBS. That is true, and we are bound by that, but of course that does not cover a very considerable portion of our commerce which goes to the east and west coasts of South America and the West Indies and all of that, but it does apply with great force to that particular point. I mean it is a fact that those load lines are being assigned not by us but by somebody else.

Mr. EDMONDS. And that applies to every nation?

Mr. GIBBS. That is true.

Mr. EDMONDS. Then there is another thing. Suppose you did hold an international conference next year; it would be impossible for the department to carry that out until the act had passed Congress, and it might be five years before you could get the act through Congress.

Mr. GIBBS. What I am in favor of is a law that embodies the principle, that puts into effect or gives authority to the basis of a load line—in other words, that states there shall be a load line and that the load line will go into effect when an international conference has been had to determine uniform rules that everybody will be bound by.

Mr. EDMONDS. That does not relieve the situation, because you still have to let England or the Japanese make the load line.

Mr. GIBBS. That is during the interim, but you must remember this, that during that interim you are really not very much worse off,

because any load-line regulations that you will put into effect will be very close to the British or the Japanese. There wont be any considerable difference there, but it is a disadvantage that you labor under. I don't question that at all, but the thing that I think is a more serious disadvantage is to give some foreign nation, or any foreign nation, an advantage over us in respect of the capacity of their ships as against ours at a time when the American merchant marine needs all the help it can get.

Mr. EDMONDS. If you adopt the English load line or the Japanese load line, what advantage have you?

Mr. GIBBS. You have none whatever, and they have none over you. You are on all fours.

Mr. EDMONDS. Suppose we pass this bill and suppose we adopted the same load line that England and Japan have?

Mr. GIBBS. With respect to the Japanese and the English you would be all right; in respect to some of the Scandinavian countries you would be at a disadvantage.

Mr. EDMONDS. They have the load line there?

Mr. GIBBS. They have.

Mr. EDMONDS. It is accepted by England?

Mr. GIBBS. But in only a minor extent, and the load line is more favorable to the shipowner in point of carrying capacity than the British load line.

Mr. EDMONDS. Then how do the British compete with them?

Mr. GIBBS. They are able to compete with them because they have got a big, powerful merchant marine, and it is like a fleabite, I imagine. But at the same time I don't recommend that, because it does put the British, in so far as the load line differs, it does put them at a disadvantage.

Mr. EDMONDS. It would be rather hard, I should imagine, to get an act through here that would say that some time in the future, if certain things happen, the department can do so and so. That is just about what you propose. I am very much afraid that members of the committee when they got on the floor in the House would have trouble in explaining what they were trying to accomplish.

Mr. GIBBS. I know of no other way in which you can accomplish the purpose that I am here to support. I don't mean my personal views, but they are views that I have been asked to represent, and it seems to me that that is the only way that we can accomplish the result.

Mr. EDMONDS. What are your personal views?

Mr. GIBBS. My personal views are strongly in favor of a load line without any reservation at all.

Mr. BLAND. Have you considered this particular bill, Mr. Gibbs?

Mr. GIBBS. Yes.

Mr. BLAND. Do you favor this bill, or do you favor it with any amendments?

Mr. GIBBS. I can not say that I favor it in my capacity as representing the Steamship Owners' Association. I think that the bill with the addition of a proviso that the operation of it should go into effect not four months hence but when an agreement has been reached with the principal maritime nations of the world would be entirely acceptable.

Mr. BLAND. But without that provision your association would be opposed to this bill?

Mr. GIBBS. They would, as evidenced by this resolution.

Mr. EDMONDS. Speaking in your official capacity, how do the coastwise people like the load line? You have some coastwise people in your association?

Mr. GIBBS. We have; at the last meeting I don't know whether they were present, but they have a representative here now who is well qualified to speak for them.

Mr. EDMONDS. How about the Lake steamers? They do not come in your association at all, do they?

Mr. GIBBS. No. I think the coastwise—certain of the coastwise people oppose and certain of them are in favor of it, but I think you will find the difference there is in the two types of ships. On the coast, in the steel vessels particularly, there are two types of ship. One is a passenger and cargo vessel with a very considerable freeboard. This type of ship here and that one there [indicating]. They are both coastwise ships. That type of ship the load line plays no part in. They would be assigned a load line that would not penalize them at all.

In respect to the other class of ship which are bulk coal carrying ships the load line might penalize their regular work.

Mr. EDMONDS. I presume these barges would suffer by that?

Mr. GIBBS. I think probably the barges would suffer, but you understand that under this law as proposed here, and under a law that we would be in favor of, the particular classes of ships will be dealt with on their merits as a subject of regulation. The law does not say that coastwise barges shall have the same freeboard and the same markings—that is, in the same position—as a ship having steam power. That is a subject for the people who are interested in those particular types of ships to appear before the Department of Commerce and make their claim for whatever they need, or whatever changes they want; and if they can substantiate it, I take it they will get it. But of course we all know there are certain types of ships that are less safe than other types of ships, and it seems to me unfair to put the onus of a loading of a ship entirely up to the owner's conscience, because the man who has his conscience in his work and who loads his ships properly and who sends them out with sufficient freeboard is at a dreadful commercial disadvantage with the unscrupulous man who doesn't give a continental, and who if his captain says, "My ship is too deeply laden," says, "Take her out or get off the ship." That is what they do say, and that applies as between different owners.

Mr. EDMONDS. That really brings the question of the overloading back to the owner.

Mr. GIBBS. Absolutely. The ships are not overloaded—don't let that fool you for a minute—the ships are not overloaded except with the consent of the owner, because no captain is such a jackass as that. Give him credit for ordinary intelligence. They don't like to go to sea with a ship overloaded.

Mr. EDMONDS. Are there any other questions, gentlemen?

Mr. PENDLETON. May I ask if the International Mercantile Marine is in your organization?

Mr. GIBBS. Yes, sir.

Mr. PENDLETON. They are in that organization?

Mr. GIBBS. Yes, sir.

Mr. PENDLETON. Is Mr. Luckenbach in your organization?

Mr. GIBBS. Yes, sir.

Mr. PENDLETON. Do you represent him?

Mr. GIBBS. I represent the association.

Mr. PENDLETON. Do you know that Mr. Luckenbach, more than anybody else in this country, is against this legislation?

Mr. GIBBS. I have heard it, but he has not said it to me.

Mr. PENDLETON. Well, he said it over in the Committee on Commerce, and he is on record against it in the Commerce Committee. He owns more tonnage and is the largest individual owner probably in the world.

Do you represent Crowell & Thurlow, your organization?

Mr. GIBBS. I represent the Steamship Owners' Association. Now, I think it must be perfectly clear that in no association that I know of, or on very rare occasions, can you get a unanimous verdict from 71 different members of an association. What I did say was that I came here with a resolution and represent an association, on a two-thirds vote of the executive committee, which had voted in favor of the resolution. Now, the resolution and the approval is not a unanimous approval. I do not think I said that.

Mr. EDMONDS. You mentioned two-thirds.

Mr. GIBBS. Yes, sir.

Mr. PENDLETON. The only point that I want to make is that I am familiar with the International Mercantile Marine, which is practically all British ships. They have a very strong representation, and make a great deal of the policy of the American Steamship Association, and, of course, their vessels are all foreign and, if there is an advantage in not having this load line on American vessels, it would be a big advantage to them to have it put on American vessels.

Of course, as to the others, such as the Raymond crowd, the A. W. & I., and that class of ships, it would be very much of an advantage to them to have it put on our ships in order to hamper us, and on cargo ships, because their business is largely passenger business and they never have enough freight to load them down to anywhere near their dead weight capacities. I only want to bring that out as showing that the main cargo people in this country are against the load-line legislation.

Mr. GIBBS. Well, I think that that statement can be answered in this way: In the first place, in respect to the International Mercantile Marine, of which I am the chief of construction, that company is an American company, 95 per cent of the stock of which is owned in the United States, and it has 180,000 tons of shipping under the American flag, and it has in that 180,000 tons of American shipping the largest passenger steamer under the American flag. Now, it is perfectly true that the company controls British shipping. It also controls Belgian, some Belgian shipping, but the fact is that there are 71 members in the Steamship Owners' Association. The International Mercantile Marine Co. is one of those owners. It is true that the president of our company, Mr. Franklin, is a member of the executive committee, but the executive committee has 24 members, so that he is in a hopeless minority. And I think that for Mr. Pendleton to say that our company is largely British and that it has practically no ships under the American flag conveys a wrong impression, consider-

ing that we have 180,000 tons under the American flag, and that the large majority of those are passenger steamers; and if the association had not been in accord with this resolution I can't imagine why on earth they passed it by a two-thirds vote and asked me to come down and represent them.

Mr. EDMONDS. I should think the resolution, as passed by the association, would be satisfactory to Mr. Pendleton. Mr. Pendleton certainly can not make any kick if everybody is on the same basis. I can not understand how, if the whole world is on the same basis, he wants to be an exception to the whole world.

Mr. PENDLETON. No; I think it is some advantage, as I can show after I hear some reason why we should have some legislation—some advantage to American shipping by not having it, and I think we should retain that. That is my reason, as an American shipowner that does not carry a dollar's worth of insurance.

Mr. GIBBS. You do not carry any insurance?

Mr. PENDLETON. Not a postage stamp; and I own sixty-four sixty-fourths of everything I have, and send them to sea without any insurance.

Mr. EDMONDS. Did you every carry insurance?

Mr. PENDLETON. I have not carried any for 10 or 12 years. And there is not a man living that can pay the insurance rates in this country to-day and make both ends meet. He has got to take his own risk.

Mr. GIBBS. May I ask Mr. Pendleton a question?

Mr. EDMONDS. Yes.

Mr. GIBBS. How many tons of shipping have you had in your fleet on the average for the last 10 years?

Mr. PENDLETON. Well, I have owned—I couldn't tell you that, but I will say this to you, that I have owned in more different vessels than any man that ever lived in this country, more than 200, and every one of them, I want to tell you this and it is the proudest word that I can say—that every one of them was built in this country, was owned in this country, and sailed under the American flag. I don't represent any class of "100 per cent Americans" that take their money and earn it in this country and then go to Great Britain to build up foreign shipyards to help foreigners drive off the seas the flag that protects them at home. That is what I don't do.

Mr. GIBBS. What I think is very important, what I would like to get Mr. Pendleton to answer and put here on the record, is this: What the average tonnage of his vessels has been during the past 10 years.

Mr. PENDLETON. We represent the Atlantic Carriers' Association, of which I am president, which had up to the beginning of the war nearly 400,000 tons of American-built and American-owned vessels. I am here to-day to represent those vessels, and they represent practically all of the American straight-out owners along the Atlantic coast.

Mr. GIBBS. Now, what I would like to know very much—I want to know two things: First, I would like to know the fleet, the size of the fleet in gross tons, on the average, owned by Mr. Pendleton for 10 years; then I would like to know what the losses in that fleet have been during the last 10 years; then I would like to know what the fleet owned by the Atlantic Carriers' Association comprised

during the last 10 years, and what the losses have been in the last 10 years compared with the same condition in the American Steamship Association and the International Mercantile Marine Co. And I think that if you get those figures, gentlemen, you will have a very clear reason why we are in favor of the load-line bill and why the other gentlemen are opposing it. I will say, "a" load-line bill, not "the" load-line bill. I think we could rest the case right there.

Mr. PENDLETON. I want to say, gentlemen, that my people landed in this country in 1626. As far back as I can trace there never has been one of them, there has not been one in ten generations, born more than a mile from South Boston. As far back as I can trace, every dollar that they have earned in the world came out of the sea, and they are the oldest concern in this business; they have never owned anything but American tonnage since Betsy Ross made that first flag, and they never have tried to go foreign and build their ships. They have been fairly successful; they have not, as far as I know—I don't recall ever losing a vessel out to sea, foundering and losing any of the crew in that time. I can not recall that a vessel ever went down that foundered outside and lost the crew in those years. And when this steamer a few years ago broke in two 100 miles right off Sandy Hook, I had a schooner right alongside of her. The captain said he tried to get the crew off from the stern of the ship, but he could not do it. He said it was blowing so he could not go aboard her.

We do not handle anything but the American flag.

Mr. GIBBS. I do not consider that that has any bearing on the load line at all.

Mr. PENDLETON. You people have all got load lines on your ships, and any man that wants a load line can have a load line, but that is not any reason—it is a big advantage, and Mr. Gibbs, if you know the situation you know it—for the International Mercantile Marine to have a load line put on all American vessels.

Mr. GIBBS. I do not think it makes a bit of difference, because no ship can trade in competition with us, with our line, that does not have to put on a load line when leaving a British port. So, as far as we are concerned, they can do it or not; we have no control over that.

Mr. EDMONDS. Well, I do not think we want to get into any personal controversy on this question, but what we want to know is the real facts of the case. It is manifest that if we are to get the information we have got to get all the information we can. The gentlemen representing the eastern association gave us some information in regard to the eastern association; the committee has had information in regard to the American Steamship Owners' Association before. I suppose you can supply for the record the names of the members of the association?

Mr. GIBBS. I can.

Mr. EDMONDS. I think it would be well for you to do that, Mr. Gibbs. Will you send it on or have you got it here?

Mr. GIBBS. I have it here.

Mr. EDMONDS. Give it to the stenographer and let him put it into the testimony. All these associations want to be heard, and we want to hear them fairly, and we want to have the names.

(The list submitted by Mr. Gibbs is as follows:)

MEMBERS OF THE AMERICAN STEAMSHIP OWNERS' ASSOCIATION.

American Ships & Commerce Navigation Corporation.
American-Hawaiian Steamship Co.
American Italian Commercial Corporation.
American Transportation Co. (James W. Elwell & Co.).
Atlantic Refining Co.
Barber Steamship Lines (Inc.).
Bliss, Dallett & Co. (Red "D" Line).
Bull Steamship Co., A. H.
Caribbean Steamship Co. (Ltd.).
Chile Steamship Co.
China Mail Steamship Co. (Ltd.).
Clinchfield Navigation Co. (Inc.).
Clyde Steamship Co.
Coastwise Transportation Co.
Colonial Navigation Co.
Crowell & Thurlow Steamship Co.
Dollar Steamship Co.
Eastern Steamship Lines (Inc.).
France & Canada Steamship Corporation.
Freeport Sulphur Transportation Co.
Garland Steamship Corporation.
Grace & Co., W. R. (Atlantic & Pacific Steamship Co.).
Green Star Steamship Corporation.
Gulf Refining Co.
Gulf & Southern Steamship Co.
Harriss, Magill & Co. (Inc.).
Hartford & New York Transportation Co.
International Mercantile Marine Co.
Luckenbach Steamship Co. (Inc.).
Mallory Steamship Co.
Maru Navigation Co.
Matson Navigation Co.
Merchant & Miners Transportation Co.
Moore & McCormack Co. (Inc.).
Great Northwestern Shipping Corporation.
Munson Steamship Line.
New England Fuel & Transportation Co.
New England Steamship Co.
New York & Cuba Mail Steamship Co.
New York & Porto Rico Steamship Co.
Ocean Steamship Co. of Savannah.
Oceanic Steamship Co.
Old Dominion Steamship Co.
Ore Steamship Corporation.
Oriental Navigation Co.
Pacific Mail Steamship Co.
Pacific Steamship Co. (Admiral Line).
Pan American Petroleum & Transport Co.
Peninsular & Occidental Steamship Co.
Pocahontas Fuel Co. (Inc.).
San Francisco & Portland Steamship Lines.
Seaboard & Gulf Steamship Co.
Smith, R. Lawrence (Inc.).
Southern Pacific Co.
Southern Steamship Co.
Sprague & Son, C. H.
Standard Oil Co. of New Jersey.
Standard Oil Co. of New York.
States Marine & Commercial Co. (Inc.).
Strachan Shipping Co.
Sun Co.
Susquehanna Steamship Co. (Inc.).
Swayne & Hoyt (Arrow Line).
Texas Steamship Co.
Union Oil Co. of California.
Union Sulphur Co.
United Fruit Co.
United Steel Products Co.
Vacuum Oil Co.
Warren Transportation Co.
Tide Water Oil Co.

Mr. GIBBS. I do not think, Mr. Chairman—if I may interject—that we ought to question a resolution in proper form passed by an association.

Mr. EDMONDS. I do not think the committee will question that for the simple reason we have had the association before us, and we know what the association is. The question of the nationality of the International Mercantile Marine has been very thoroughly gone into by both the Senate and House. We all know about that. As a matter of fact, we could not have more complete testimony than I have laying on my desk now, and which every member of the committee has on his desk, as to the International Mercantile Marine.

Mr. GIBBS. And that really is not the point here at all, but they are a small part of the association.

Mr. EDMONDS. It is not the point in controversy. The question is, if we can get a load line all over the world that practically puts everybody on an equal basis, why should anybody oppose it?

Mr. GIBBS. That is our position. We are heartily in accord with that view.

Mr. EDMONDS. I think your association is in favor of it, and I can not see how anybody else could oppose it.

Mr. GIBBS. I can not, either.

Mr. JONES. Mr. Chairman, I represent a company which is a member of the American Steamship Association and a member of the Atlantic Carriers' Association, of which Mr. Pendleton is president, and engaged in both steam and sail operations, foreign transatlantic and coastwise, and I think the testimony which I came here prepared to put in, which is very brief, will answer the point which you have just suggested, and will clear up a number of things in controversy between Mr. Gibbs and Mr. Pendleton, and I am very anxious to get away, and I would appreciate very much, when Mr. Gibbs is through, if I could go on.

Mr. EDMONDS. If the gentlemen have no objection, we will hear Mr. Jones next. Then we will go on with the proponents of the measure.

Mr. GIBBS. I am going to try and remain here, and I should like the opportunity, later on, of answering anything that may come up in connection with this matter.

Mr. EDMONDS. I think that would be perfectly fair. When you come in at the end and the opponents of the measure have put in their argument, you can come back again. Of course, we can not continue this controversy forever, however.

Now, will you give your full name, Mr. Jones, and whom you represent?

STATEMENT OF MR. A. S. JONES, REPRESENTING CROWELL & THURLOW, BOSTON, MASS.

Mr. JONES. My name is A. S. Jones. I represent Crowell & Thurlow, ship brokers and operators in Boston, Mass., whose organization, with the affiliated corporations, controls the largest number of sailing vessels owned by any one concern under the American flag. We control 70 large-sized American schooners, almost all of them over 1,500 tons capacity and fully half of them over 2,000 tons. I think that is the largest fleet of sailing vessels under one management in the world to-day.

We also are the owners of a fleet of 10 cargo steamers trading all over the world. They do not run on any regular route; they carry no passengers; they go where the business offers—to the west coast of South America, to the east coast of South America, to South Africa, to Europe, and occasionally across the Pacific. They range in size from 5,000 to 10,000 tons carrying capacity and they are engaged in nearly every trade in which bulk-cargo carriers engage.

Shortly prior to the war, or before the United States went into the war, our steamers went to the United Kingdom, several of them. They received Lloyds' marks there and observed them when they left British ports.

To answer the statement that the chairman has made with regard to the fact that everybody being on an equal basis, nobody can kick, I want to suggest this, that to place the same marks on American vessels, American steamers, that is placed on English vessels to-day and make them observe them in all the trades would be, in most trades in which bulk-cargo carriers enter, to cut 10 per cent off the gross receipts of the vessel. That means a fatal handicap to American steamship owners under the present world conditions, because it is a lucky steamship company to-day which is earning its expenses.

Now, I have here the records of four or five of our steamships. We have taken four or five consecutive voyages in which the steamers carry coal on ocean trips. We have then taken the amount of coal which could be carried in those steamers on Lloyds' marks, and the record shows that for a 5,000-ton dead-weight steamer we carry about 650 tons more than the steamer could carry on Lloyds' marks. That is more than 10 per cent. We have taken consecutive voyages so that it will be quite apparent that we did not take voyages where we carried an excessive amount of cargo, and I will say now that nobody has ever accused Crowell & Thurlow of overloading a vessel, either sail or steam, and that we have never lost a vessel or strained a vessel by overloading, and we have never had a loss by foundering.

Mr. EDMONDS. You are still running the fleet, are you?

Mr. JONES. We are still operating that fleet, and every one of our steamers, with the exception of one 3,000-ton steamer, is in operation to-day, and we are going to keep them in operation just as long as we can stand the gaff of operating expenses.

Mr. EDMONDS. Did you not sell a lot of ships right after the war or during the war?

Mr. JONES. We have never sold a single steamer—we personally. We have built all our fleet, with the exception of this one small one I just mentioned, in American shipyards, at the Newport News Shipbuilding Co. and the Bath Iron Works, in Bath, Me., and we have one building to-day that is not quite finished.

Mr. EDMONDS. Did you not sell a lot of ships to an Italian company in New York?

Mr. JONES. We have never sold any.

Mr. EDMONDS. Not of your own?

Mr. JONES. Of our own, and except for various small interests on some individual steamer we have never sold a steamer.

We have all the sailing vessels that we ever built, except those that have passed out of usefulness and one or two which have been lost by collision or stranding, and we are operating those as the occasion offers.

Now, to leave the steamers for a minute and go to the sailing vessels. A load line for a wooden sailing vessel to a practical man is a ridiculous proposition. Those vessels sail in very diverse trades. On one trip they will carry a cargo of lumber from Nova Scotia to the United Kingdom. They will come back part way and get a cargo of salt and come into the United States. The next trip the vessel will take coal down to the River Plate and come back with a cargo of grain and hides. She is going into an entirely different water, under entirely different weather conditions, at all seasons of the year, with an entirely different cargo. And there is one thing your load line can never do; it can never discriminate effectively between the types of cargoes, and on some cargoes it would be safe to load below any load line that might be established, and perfectly safe to do so, and on the very next trip it might not be safe to load within a foot of the established load line, depending entirely upon the cargo and the then condition of the vessel.

We may have a vessel go down loaded to the gills with coal in the summer time, perhaps to Cuba. She may injure herself in some way down there, so that we want to run her back very light. It is no joke what Mr. Pendleton said this morning about this time-chartering

business. We time-charter steamers for a year or two years. We have one now running on a time charter made before the war, which is not up for two years more. The time charterer can use that steamer in any trade, and the time charterer is going to get everything out of the vessel that he can. If he has a load line which enables her to carry what she ought to carry, the time charterer is going to insist that she be loaded at least to that load line with every sort of cargo. The marine insurance gentlemen laughed at Mr. Pendleton's statement this morning, but it is nothing to laugh at. We know it is nothing to laugh at. To fix an arbitrary mark on a vessel is to invite loading to that mark under all conditions.

Mr. EDMONDS. When you charter a vessel do you restrict the loading?

Mr. JONES. When we charter a vessel for a voyage, our charter reads: "American ship such and such, at so many gross tons or so many net tons," being the tonnage that is given her under measurements by the Government, "to load a full cargo of coal from Hampton Roads to Buenos Aires."

Mr. EDMONDS. Do you limit the draft of the boat, then?

Mr. JONES. There is no limitation as to the draft. Our captain, when she gets down to the point where he thinks she will sail fast and most safely, says, "That is enough," and no more coal goes into her. We never question that—the owners. We employ American captains who are competent. I do not know where these inexperienced captains come from. Under our laws the captain before he can get a license must have had a good many years' experience at sea. He must have been a mate, and before he is a mate he has to be a second mate, and before he is a second mate he has got to serve so many years at sea. He can not even be an able seaman until he has served how long?

Mr. FURUSETH. Thirty-six months.

Mr. JONES. Until he has had 36 months on the water. So that this talk about men going out who do not know anything about loading steamers strikes me as ridiculous.

Mr. EDMONDS. We are training captains for you. You get the men when we are through with them.

Mr. JONES. So a load line is fraught with great danger. To pass a bill which gives a governmental agency the right to say: "To this point you may load your ship and no farther," will have this effect: If that load line is not placed low enough or high enough on the vessel—I mean to let them load deep enough—it will make the earnings of the vessel so much less that she can not possibly operate under present expenses. If the load line, on the other hand, is placed at a point as low as we as prudent owners would ever load a vessel, then you are inviting both owners and masters to load to that line under all conditions, and it is a thing that it is almost impossible to place. You can say, "Here is for the summer, and this for the winter, and that is for the North Atlantic." Any child could put that on, knowing the average marks; but to put on a line which will meet the commercial necessities of the situation is a very difficult thing and fraught with very grave danger to the success of the merchant marine at this time.

Now, we have heard talk about elevators. That has no more to do with this case and would be no more a fair example than—there is nothing to it for this reason: The elevator operates under the same conditions all the time; it has got a motor that lifts so many pounds, pulling it up and down; it has got such and such a counterweight on it; it has so many volts of electricity, which does not vary. There you are. Of course you can say how much it will carry. Likewise a freight car. The freight car is built to stand such a strain, and there it is on the rails, and it never goes off the rails. A ship will stand the strain of certain cargoes better than certain other cargoes. We know what a hard cargo is to ship from the other side—rock, for instance—and we are all afraid of it. We are all afraid of sulphur, and we are all afraid of some sorts of ore; we are all afraid of certain cargoes that are apt to shift. But there are certain other cargoes that may weigh more that we are not afraid of at all.

Our ships are built so that they can be loaded with as much coal as they will hold—that is, one of our steamers built to carry coal, one of the single-deck boats with engines aft, to carry 7,200 tons of coal, is built to put in coal right up level with the hatches, and she is built, and built strongly, to load in that way. There are plenty of other cargoes that we would not load into her in this way, and you have got that situation.

You have got the situation of the difficulty of fixing any fair line without encouraging questionable practices, and you have got the undoubted fact that if your line is not fixed at a low point you are going to cut right off from your earnings, and Lloyds' marks, which every one of these gentlemen who have testified has said would be very close to the mark fixed as a result of this bill if passed, would penalize our vessels over what they have carried over a period of years with perfect safety.

Our steamers have been operating since 1913. This fleet was built in 1913, 1914, and 1915, and they have been running ever since, and they are all running, and our average carrying capacity, our average cargo, is 10 per cent over what Lloyds' would allow us.

Mr. EDMONDS. Do you insure your boats?

Mr. JONES. We do. Our steamers are all entered in the American Steamship Owners' Association, and they are all classified by the American Bureau of Shipping. There is not a load line on any one of them now.

The statement that was made this morning, that the American Bureau of Shipping placed load lines on all ships that they classified, is not so.

Mr. EDMONDS. I think that is true; I think it is purely for the Shipping Board.

Mr. CHAMBERLAIN. Only Shipping Board ships. That is all I said.

Mr. JONES. That is all you said, Mr. Chamberlain; but some of the other gentlemen said all the ships classified by the American bureau had load lines.

Mr. EDMONDS. The Shipping Board requested that, and therefore it was done.

Mr. JONES. Our ships have not got that load line. It is put on in England, and when the ship gets over here we erase it.

Mr. EDMONDS. Is there any delay in putting it on over there?

Mr. JONES. No delay at all. There is another point that I wish to bring up. We never were delayed a minute by that. When we go into an English port the inspector comes aboard before the vessel has started discharging cargo and he says, "Are you going to load any cargo out of here? If you do, you will have to have a mark." We inform him whether we are going to load any cargo out of that port; and if we are, then the mark is placed on. Now they have said, "We must do something right away because England has got the bulge on the American ships and will hold them up and make them put on these marks." If anybody will tell me where there has been a single bulk cargo out of England across the Atlantic to this country in the past year I would like to know it, or where there is going to be one in the next year. There is not an American ship bringing bulk cargoes from Europe to this country to-day, and there has not been since I have had anything to do with this business.

Mr. EDMONDS. Do you take cargo out of England to South America, coal or something like that?

Mr. JONES. We have not taken a cargo out of England of any sort, kind, or description in the last two years that I know of. Do you know, Mr. Pendleton?

Mr. PENDLETON. There has been coal now and then.

Mr. JONES. I am speaking of steamers.

Mr. PENDLETON. No.

Mr. JONES. No steamers have taken bulk cargo out of England. There is not anything over there to bring over here.

Mr. EDMONDS. How about the wooden steamers?

Mr. JONES. Our wooden schooners we have insured and insured heavily in the past. We have followed a different policy from Mr. Pendleton, but the increasing rates on wooden schooners has driven us to a policy of carrying perhaps 25 per cent of the value of the schooner as insurance, and we have now reached the stage that wherever a policy expires we do not renew it, and our schooners are fast becoming totally uninsured, and our records show that we have paid in premiums to the insurance companies on our fleet of schooners in the last 10 years over ten times what we ever got back in losses.

Mr. EDMONDS. Your losses have been low, then?

Mr. JONES. Our losses have been almost nothing compared to our premiums. We have lost very few vessels. This last winter we lost two schooners out of some 50 that we operate, and they are the first two total losses since prior to the war that we have had. We have had one or two losses by collision, where a steamer has run down our schooner, and we recovered the cost of the schooner from the steamship. But we lost one boat on Hatteras, this *Carroll Deering* that they think the pirates got, as you have seen in the papers, and we lost another in a port in Mexico when a sudden gust of wind came up and drove her into a stone jetty and stove a hole in her bottom. Those are the first two large losses that we ever have sustained. And our schooners we have had a great deal longer than our steamers. We have been in the schooner business on a greater or less scale for the last 20 years, or 25 years, and we have one corporation that owns 22 schooners, all of them around 2,200 to 2,400 tons carrying capacity. We have another corporation that owns shares up to three-fourths

or one-half or one-fourth in about 40 other schooners charters which we control, and the balance of which is owned through New England, and to some extent in New York.

We are opposed to a load line at this time, on American ships, whether they be sail or steam, and we are opposed to a load line upon sailing vessels at any time. We know that any load line that is likely to be imposed is going to be a heavy expense to us as operators.

We know why this thing is being pushed. We know who is behind it. This bill is being pushed—and I think that if Mr. Chamberlain would say who the gentlemen are that asked him during the three or four years before he was ready to do it to bring this bill in, that it would show quite plainly that this bill has been put forward by the Department of Commerce at the instigation of the classification societies and the marine insurance underwriters. And there is another point that I wish to make.

It was suggested this morning that if a vessel under this bill were loaded so that her marks were submerged, that the insurance company would not refuse to pay the loss. I am an admiralty lawyer, and I say that is a ridiculous statement. Everybody knows that if a vessel were loaded below a mark described by law, that that would be fundamental and incontrovertible proof that she was overloaded, and the Supreme Court of the United States has held that overloading is unseaworthiness, and if the vessel was unseaworthy the insurance company does not have to pay the loss, and that is why the marine insurance companies would benefit by this bill. They are behind it, and there is one other element behind it—two other elements. The two other elements are these: The ships of this type [indicating], to which a freeboard makes no difference. They are to a certain extent in competition with the smaller bulk cargo carriers and schooners.

Mr. CHINDBLOM. State what you mean by "this type." The record won't show pictures on the wall.

Mr. JONES. By "this type" I mean combination passenger and cargo steamers, with a high freeboard, such as the Mallory and Clyde, and the New York & Cuba Mail boats.

The third element that is in favor of this bill is the combination freight and passenger transatlantic boats which are largely under the British flag.

Mr. EDMONDS. I was going to say that the first I ever heard of this bill, it originated, as far as I was concerned, with Mr. Alexander. I know that no member of this committee would personally doubt Mr. Alexander's sincerity or imagine that he was being pulled by anybody.

Mr. JONES. It is not that they have been pulled, but people have come and said, "We want this bill," and they have had their reasons for wanting it, which is always the case where a bill is drafted. And they have got a perfect right to try and get what they want, but I want to make it perfectly clear that in the opinion of the ship operators in my part of the country, which is New England, we feel that this bill is the effort of people who will benefit directly thereby, and is largely the effort of the American Bureau of Shipping and the marine underwriters.

Mr. EDMONDS. It is not so much the American Bureau of Shipping as, possibly, the Marine Underwriters.

Mr. JONES. I do not claim that they have any improper motives. Their motives are perfectly proper from their point of view. If they can get a bill through that will enable them to escape some of their losses, let them go to it; but as ship owners—and I want to call the attention of the committee to the facts in the case—the fact is that there is no question but what such a bill will add to the expense of operating American ships, and the further fact is that there is no question but on Lloyd's list and the list of the French Bureau Veritas to-day American shipping is the safest shipping in the world, exactly as Mr. Pendleton said. The percentage of loss of American vessels—it does not make any difference how many there were, the question of percentage—the percentage of loss during the last few years is lower on American vessels than it is on British vessels, with all their marks.

Mr. EDMONDS. If that is so, then why don't the British and the Japanese abolish load lines, and why should we pass this bill?

Mr. JONES. I do not know anything about the Japanese. I know that in England the marine insurance business is a huge, well coordinated business, and that they secured this legislation in England in the first place, and that most of the British ship owners are not in favor of it, and don't like it.

Mr. CHAMBERLAIN. You say they are not in favor of it now?

Mr. JONES. A great many of them are not in favor of it now. A great many of them are not in favor of their law.

Mr. CHAMBERLAIN. The British ship owners opposed very strenously the load-line law at the beginning, 30-odd years ago, just as these gentlemen are doing now, but my impression is that at the present time they are practically all in favor of it.

Mr. JONES. I do not know about that.

Mr. CHINDBLOM. Before you go further, let me ask you this question: The load line, of course, would establish prima facie proof of overloading; but without the load line, overloading, if proven as a fact, would still be held to place a vessel in a condition of unseaworthiness?

Mr. JONES. Yes, it would.

Mr. CHINDBLOM. So that, under present conditions, the liability of the marine insurance companies could be avoided on the ground of overloading, but it is more difficult to prove the overloading without the load line.

Mr. JONES. Just so. It is much more difficult to prove it. This bill would give them incontrovertible proof—not only prima facie but incontrovertible proof—of overloading. You know that if you are arrested in your automobile because you met with an accident, and they can prove that you were violating any statute, they have proved your negligence right there without going very far into the facts of the case. So here, if they can prove that in loading your vessel you violated the statute of the United States, there is no question but what you overloaded.

Mr. CHINDBLOM. Let me ask this further question: In the case of a charge of overloading the vessel is there any leeway of reasonableness with reference, for instance, to the showing of the load line? Would it necessarily be taken as proof of overloading if the load line were hidden under the surface of the water, or would you still have to prove, as a matter of fact, that it was overloaded?

Mr. JONES. I believe, and it would be my opinion if a client asked for it, if this bill were passed the mere fact that the load line was submerged would be sufficient proof for any court to find that the vessel was overloaded under the meaning of the law.

Mr. CHINDBLOM. Before you go further, let me say this: That my understanding of the law is that the violation of a requirement of the law is not prima facie proof of negligence unless the law so makes it: I know in the ordinary statutes, where it is intended that the violation of the statute shall be prima facie proof, the statute so recites.

Mr. JONES. Well, can you conceive of a vessel with a mark placed on her by a Government requirement, for which there is $1,000 fine for the violation of the statute in loading her so as to submerge that mark, and evidence being introduced into court that she went out with that mark submerged and subsequently foundered—can you conceive of any court not finding she was overloaded?

Mr. CHINDBLOM. I do not know that you answer one question by asking another, but I think it is possible—I can conceive of a situation where the foundering might be due to something else and you would be permitted to prove that it was due to something else, even though the load line was submerged.

Mr. JONES. To that I answer that if the foundering was due to something else, then the question of overloading is not relevant to the question at issue in the case.

Mr. CHINDBLOM. I am assuming, of course, that the insurance company would make the charge of overloading, because the load line had been submerged, but that the defense was that something else had caused the foundering and not the overloading.

Mr. JONES. Of course, that is perfectly true, but the court, United States judges—I have tried many cases before them, and I know of none who I think would not find that the vessel was overloaded if her mark was submerged, and if she was required by law to have that mark, and it was properly placed there in accordance with the law, it would be such evidence that it would be hopeless, in my opinion, and I should advise my client to that effect, to fight it. The insurance people know that and they never voluntarily pay, and would take every case to court in which a vessel was lost and the circumstances looked as if she was overloaded and they could find that her mark was submerged half an inch.

Mr. CHINDBLOM. You speak there of American cases. Have we had any load line heretofore anywhere in American law?

Mr. JONES. No; we have not had any load line.

I would call your attention to this fact, and that is that the British law contains in it a provision that "whoever shall load a ship so as to submerge her marks without reasonable cause." Now, it is not a difficult matter to get a permit to load below the principal mark in England, and I know—I can't testify to it, I suppose, but this is not a court of law—I know as well as I know anything that I have not seen myself that those permits have been issued for the express purpose of enabling British steamers to meet foreign competition.

Mr. CHINDBLOM. Well, let me say this: I think in one of our prior hearings it was openly stated that the authorities of England deliberately winked at the violation of the load line law, and that it is not considered a handicap in England at all to their shipping.

Mr. JONES. Because it is winked at.

Mr. CHINDBLOM. Because it is winked at.

Mr. JONES. If it were strictly enforced it would be a handicap to British ships as against American ships, but we have had so few ships over there, other countries have had so few ships in British ports taking out British cargoes, and their merchant marine is so firmly established, that, as one of these gentlemen remarked this morning, the difficulties arising out of this legislation would be only a flea bite to them. But to put this on our ships, I think I said before you came in, is going to make on many a voyage a difference of 10 per cent in gross receipts, because the documents which I have here and the records which I would like to get before the committee show that the average coal-carrying capacity of the steamers of Crowell & Thurlow Steamship Co. are about 10 per cent more than they could carry under the Lloyd's marks, and that nobody has ever accused us of having an overloaded vessel. We have never had any trouble of that kind.

Mr. CHINDBLOM. Before we leave the subject of the English overloading, I want to say I do not think we have any actual proof that that practice is permitted in England, and if anybody can further substantiate that claim I would be glad to have whatever testimony can be given on it.

Mr. JONES. I have heard it direct from captains straight from British ports. That is the best I can give you.

Mr. EDMONDS. That leads to a rather peculiar situation. You send a ship over to England with a load of coal. Maybe she is going to get a load of grain or a load of something else and take it down to the Mediterranean, we will say. They put a load line on you; then they give their ship a permit to carry 10 per cent more than you, and of course she gets the business and you don't get it. So would it not be a good thing for you if we had a national load line?

Mr. JONES. If they wink at it and are going to underbid us on the rate and move the cargo which is at hand, which either ship could carry at a less figure, how would it help us?

Mr. EDMONDS. I think maybe it would be a good thing for you if we had a national load line here to help you out.

Mr. JONES. It would not be a good thing now, Mr. Edmonds, because it would cut down the earnings of vessels. It would place everybody on a parity. It would make us better off as compared with the foreigner, but everybody that has a load line is going to make less money than if they did not have it, and we can not stand that to-day. It may sound harsh and cruel to place monetary considerations before these elements of safety, and risk of economic loss; a vessel gone is a vessel gone, but I claim and maintain that our ships are safer than any other ships in the world to-day, and that to place a load line on those ships is to cut down their earning capacity at a time when they are struggling by every means in their power to keep their decks above water. We can not stand any more burdens imposed by Congress. Congress has in the past imposed burdens which must be removed at this session or we won't have any merchant marine. The Shipping Board, the new board, is at work on that question to-day. There must be certain legislation, certain legislative provisions repealed, that place expense on American ships, totally unnecessary expense; and at this time, when we are struggling to get those off, to put another one on which would

probably be worse than all the rest put together, it would certainly be the height of folly.

Mr. FURUSETH. What is it we must have repealed?

Mr. JONES. Now, Mr. Furuseth, I do not want to get into an argument with you about labor questions.

Mr. EDMONDS. I would like to ask you a question right here.

You send your ship, one of your steamers, without a load line, over to England. You load her up with 10 per cent more cargo than you would have been able to do if you had a load line. Do they allow you to come into port with that cargo?

Mr. JONES. Yes, sir. The law only applies to vessels leaving ports in the United Kingdom.

Mr. EDMONDS. You can take the excess load in?

Mr. JONES. In other words, it is a police regulation for the loading of a vessel in a port of the United Kingdom.

Mr. EDMONDS. Then you compete with a fellow who is doing overseas business from this country, under the American flag also, who has a load line and keeps the load line?

Mr. JONES. I do not think there are any such people under the American flag that have a load line to keep, and do keep the load line. So far as I have been able to observe, the operators of Shipping Board ships, on which there is a load line, uniformly and totally disregard the load line; and so far as privately owned American ships go, I do not know of any which have a load line.

Mr. EDMONDS. You said a while ago that the International Mercantile Marine had a load line.

Mr. JONES. I do not know about them. They are primarily passenger ships.

Mr. EDMONDS. Would they carry as much cargo as you do, in competing with you?

Mr. JONES. They do not carry the same sort of stuff. They carry package freight. We carry cargo coal, cargo grain, cargo phosphate rock, five or six or ten thousand tons of the same sort of stuff; they carry a crate of sewing machines, six crates of phonographs, 100 boxes of shoes, and so many boxes of apples.

Mr. EDMONDS. I am talking about the cargo boats. There are a lot of cargo boats going out on different lines, different company boats of the Shipping Board. Don't they pay any attention to the boat lines going out of here?

Mr. JONES. We had 26 Shipping Board steamers at one time, and so far as I know only a very few of that 26 had load lines on them. I have seen a good many of them that did not have load lines.

Mr. EDMONDS. And the Shipping Board did not require them to keep the load lines?

Mr. JONES. We have never received any communication from the Shipping Board, so far as I know, and it all passes through my hands, that requires us to keep to any load line put on by the American Bureau of Shipping, or anybody else.

Mr. EDMONDS. Well, I am talking about the Lloyd line or whatever it may be. They have probably got Lloyd's line on them the same as your ships have.

Mr. JONES. Of course, when you go across and get Lloyd's line, the minute you get in any other port you paint it out. You have no further use for it after it is put on. It is put on to prescribe your loading in a British port, and when you get out of port you paint it out.

Mr. EDMONDS. The Shipping Board did not do that?

Mr. JONES. As I understand it, it was placed on Shipping Board ships in accordance with the British rules, but it was put on by the American Bureau of Shipping, and I think it has been used purely for the guidance of captains and by no means as a specific rule, as this act contemplates.

Mr. CHINDBLOM. Well, if it was voluntarily used, so to speak, it of course would not affect the liability of marine insurance companies?

Mr. JONES. No; it might be some evidence, but it would not be anything like the evidence it would be in the other case.

To sum up, I would like to reiterate that so far as sailing vessels go the thing simply can't be done. You take a vessel that will load down to a certain point with coal, a wooden sailing vessel, that is as deep as she can safely be loaded with coal; perhaps you can load her a lot deeper with square mahogany logs. I am not a traffic man, and may be using the wrong examples, but it is certainly true that you can load them deeper with some cargoes that with others, and the load line makes absolutely no distinction between cargoes.

Mr. CHINDBLOM. I should say that would be so in the case of lumber on the Great Lakes, because I have seen the schooners come in with lumber piled up on top of the decks.

Mr. JONES. It is so with all lumber vessels. It is so with your standard cargo boats on the Lakes. It is so with every wooden vessel where the hull itself is built for the cargo. Lumber schooners on the coast here are continually loaded so that if they had a cargo of the same proportions of something else it would sink and they would go to the bottom the first time the sea washed over them, but they are simply one solid pile of lumber inside and out. It all lies together and they can't sink.

Mr. CHINDBLOM. Just like a raft?

Mr. JONES. Exactly.

Mr. EDMONDS. Would you mind adding that data to your testimony?

Mr. JONES. This data is a comparison of the dead weight lifted on four trips of the steamship *Peter H. Crowell*, in comparison with the dead weight allowable under the freeboard assigned by Lloyds.

The same data with regard to the steamship *Walter C. Noyes* on an average of 26 trips. She carried 665 tons more average than Lloyds would have allowed. Her dead-weight capacity is about 7,000 tons.

Mr. EDMONDS. These marks were put on by Lloyds.?

Mr. JONES. In England; yes.

Then there is a comparison on the steamship *Edward Peirce*, 4 trips, a difference of 586 tons.

A comparison on the steamship *Felix Taussig*, 4 trips, 262 tons.

A comparison on the steamship *William A. McKenney*, 4 trips, 435 tons.

A comparison on the steamship *Lewis K. Thurlow*, 4 trips. She exceeded Lloyd's allowance by 718 tons. She only carries about 5,500 tons. She exceeded Lloyds' allowance by 718 tons.

Mr. EDMONSD. Seven hundred and eighteen tons per trip?

Mr. JONES. Yes.

Mr. EDMONDS. How about those that were the other way? You did not bring any record of those where you were allowed by the marks to load more than you would ordinarily have done?

Mr. JONES. These are cases, for instance, where there are shown four trips. That means four trips from an American port. We take the average cargo carried on those four trips; then we take the cargo carried on the single trip.

Mr. EDMONDS. I know what you have there, but there were some the other way, weren't there; some that the marks allowed you to load heavier than you ever did before?

Mr. JONES. A mark that allowed us to load more heavily?

Mr. EDMONDS. Yes.

Mr. JONES. No, sir.

Mr. EDMONDS. They didn't allow you to load them heavier?

Mr. JONES. No, sir; not by a long shot. Here are six steamers, Mr. Chairman. Six steamers were all the steamers we had operating transatlantic at that time. Every one of them got these marks, and this is the record of the whole, and there were none the other way.

Mr. EDMONDS. Just put that in the record, will you?

Mr. JONES. I can give this paper to the reporter. You do not want me to read all the figures?

Mr. EDMONDS. No; just put it into the record.

(The paper referred to follows:)

Comparison of the dead weight lifted on four trips with the dead weight which is allowable under the freeboard assigned by Lloyds.

STEAMSHIP "PETER H. CROWELL."

Voyage No. 76. From Hampton Roads to Barbados:	Tons.
Cargo of coal	4,045
Bunkers	682
Water	300
Stores	25
Total dead weight	5,052

Draft, 21 feet 8 inches–22 feet 4 inches; mean, 22 feet.

Voyage No. 75. From Newport News to Bahia:	
Cargo of coal	3,836
Bunkers	1,132
Water	250
Stores	25
Total dead weight	5,273

Draft, 22 feet 2 inches–22 feet 6 inches; mean, 22 feet 4 inches.
Average mean draft is 22 feet ¼ inch.

Voyage No. 74. From Newport News to Santos:	
Cargo of coal	3,786
Bunkers	1,055
Water	214
Stores	25
Total dead weight	5,080

Draft, 22 feet 6 inches–22 feet 6 inches; mean, 22 feet 6 inches.

Voyage No. 73. From Norfolk to St. Thomas:	
Cargo of coal	4,069
Bunkers	584
Water	168
Stores	25
Total dead weight	4,846

Draft, 20 feet 6 inches–22 feet 3 inches; mean, 21 feet 4½ inches.
Average of the four trips, 5,063 tons.
Lloyds allow a draft of 20 feet 4.4 inches, which gives a dead weight of 4,410 tons.
Average for above, 22 feet ¼ inch, which gives a dead weight of 5,063 tons.
Leaves the ship exceeding Lloyds by 1 foot 8 inches draft; 653 tons.

STEAMSHIP "WALTER D. NOYES."

Average of 26 trips on the coast:
7,225 tons on a draft of 24 feet 10 inches.
6,560 tons on a draft of 23 feet 8½ inches allowed by Lloyds.
665 tons, 1 foot 2½ inches more than is allowed by Lloyds.

STEAMSHIP "EDWARD FEIRCE."

Voyage No. 64. From Hampton Roads to Chile:	Tons.
Cargo of coal	5,378
Bunkers	319
Water	205
Stores	25
Total dead-weight	6,927

Draft, 23 feet 2 inches–26 feet 6 inches; mean, 24 feet 9 inches.

Voyage No. 63. From Hampton Roads to Rio:	
Cargo of coal	5,863
Bunkers	1,332
Water	368
Stores	25
Total dead-weight	7,408

Draft, 24 feet 2 inches–27 feet 2 inches; mean, 25 feet 8 inches.

Voyage No. 62. From Hampton Roads to Marseille:	
Cargo of coal	5,635
Bunkers	1,383
Water	195
Stores	25
Total dead-weight	7,238

Draft, 24 feet 2 inches–27 feet 2 inches; mean, 25 feet 8½ inches.

Voyage No. 61. From Baltimore to Genoa:	
Cargo of coal	5,687
Bunkers	1,275
Water	170
Stores	25
Total dead-weight	7,157

Draft, 23 feet 6 inches–27 feet; mean, 25 feet 3 inches; less for fresh water, 3 inches.

Voyage No. 60. From Hampton Roads to Marseille:	
Cargo of coal	5,630
Bunkers	1,258
Water	185
Stores	25
Total dead-weight	7,098

Draft, 23 feet 3 inches–23 feet 9 inches; mean, 25 feet 8 inches.
Allowed by Lloyds, 6,580 tons; 23 feet 9 inches.
Excess over Lloyds, 586 tons: 1 foot 7 inches.

STEAMSHIP "FELIX TAUSSIG."

Voyage No. 19. From Norfolk to Canal Zone:	
Cargo of coal	8,393
Bunkers	997
Water	345
Stores	25
Total deadweight	9,760

Draft, 28 feet 8 inches–28 feet 10 inches; mean, 28 feet 9 inches.

Voyage No. 18. From Newport News to Rotterdam:	
Cargo of coal	7,891
Bunkers	1,660
Water	220
Stores	25
Total deadweight	9,796

Draft, 28 feet 10 inches–28 feet 10 inches; mean, 28 feet 10 inches.

	Tons.
Voyage No. 17. From Newport News to Rotterdam:	
Cargo of coal	7,951
Bunkers	1,806
Water	194
Stores	25
Total deadweight	9,976
Draft, 28 feet 7 inches–28 feet 7 inches; mean, 28 feet 7 inches.	
Voyage No. 16. From Newport News to Rotterdam:	
Cargo of coal	7,773
Bunkers	1,686
Water	240
Stores	25
Total deadweight	9,729
Draft, 28 feet 10 inches–28 feet 10 inches; mean, 28 feet 10 inches.	
Average, 9,762 tons; 28 feet 10 inches.	
Allowed by Lloyds, 9,500 tons; 27 feet 1 inch.	
Amount ship is overloaded beyond Lloyds 262 tons; 1 foot 9 inches.	

STEAMSHIP "WILLIAM A. M'KENNEY."

Voyage No. 21. From Charleston to Chili:	
Cargo of coal	8,394
Bunkers	1,371
Water	200
Stores	25
Total dead weight	9,990
Draft, 28 feet 6 inches—28 feet 6 inches; mean, 28 feet 6 inches.	
Voyage No. 20. From Baltimore to Rotterdam:	
Cargo of coal	7,645
Bunkers	1,783
Water	220
Stores	25
Total dead weight	9,673
Draft, 28 feet 4 inches—28 feet 4 inches; mean, 28 feet 4 inches; allowance for fresh water, 3 inches.	
Voyage No. 19. From Philadelphia to Rotterdam:	
Cargo of coal	7,755
Bunkers	1,513
Water	160
Stores	25
Total dead weight	9,456
Draft, 28 feet 5 inches—28 feet 3 inches; mean, 28 feet 4 inches; allowance for fresh water, 6 inches.	
Voyage No. 18. From Baltimore to Rotterdam:	
Cargo of coal	7,645
Bunkers	1,969
Water	180
Stores	25
Total dead weight	9,819
Draft, 28 feet 10 inches—28 feet 7 inches; mean, 28 feet 8½ inches; allowance for fresh water, 3 inches.	
Average, 9,735 tons; 28 feet 3 inches.	
Allowed by Lloyds, 9,500 tons; 27 feet 1 inch.	
Amount ship is overloaded beyond Lloyds, 235 tons; 1 foot 2 inches.	

STEAMSHIP "LEWIS K. THURLOW."

	Tons.
Voyage No. 64. From Philadelphia to Valparaiso:	
Cargo of coal	4,002
Bunkers	1,027
Water	111
Stores	25
Total dead weight	5,165
Draft, 23 feet—23 feet 4 inches; mean, 23 feet 2 inches; allowance for fresh water, 5 inches.	
Voyage No. 62. From Pensacola to Antilla:	
Cargo of coal	4,433
Bunkers	630
Water	345
Stores	25
Total dead weight	5,433
Draft, 23 feet 9 inches—23 feet 8 inches; mean, 22 feet 8½ inches.	
Voyage No. 61. From Baltimore to Habana:	
Cargo of coal	4,637
Bunkers	654
Water	335
Stores	25
Total dead weight	5,651
Draft, 23 feet 6 inches—23 feet 7 inches; mean, 23 feet 6½ inches; allowance for fresh water, 2½ inches.	
Voyage No. 60. From Newport News to Africa:	
Cargo of coal	3,943
Bunkers	1,130
Water	320
Stores	25
Total dead weight	5,418
Draft, 22 feet 6 inches—22 feet 10 inches; mean, 22 feet 8 inches.	
Averages of the above four trips, 22 feet 10½ inches draft; 5,418 tons.	
Lloyds allow a draft of 21 feet 1.9 inches, which gives a dead weight of 4,700 tons.	
Leaves the ship exceeding Lloyds by 1 foot 8½ inches draft, 718 tons dead weight.	

Mr. EDMONDS. Are there any other papers that you want to put into the record, any resolutions by your association, or anything like that?

Mr. JONES. I have no resolutions. As a matter of fact, I was in Washington on an entirely different matter, and Commissioner Plummer, of the Shipping Board, was formerly the legal representative of the association of which Mr. Pendletion is president. Since Mr. Plummer's appointment to the board what few matters have come up I, without any vote appointing me as counsel, have handled for them. But I appear here as the representative of Crowell & Thurlow, the operators of the boats that I have enumerated, and I guess I can also speak as counsel, with Mr. Pendleton's permission, for this association.

Mr. EDMONDS. Very well. Is there any gentleman who wishes to ask any questions?

Mr. GIBBS. I would like to know if it is not a fact that when the British were winking at the load line regulations there was a war in progress which made it practically necessary for them to wink at those regulations?

Mr. JONES. My belief and understanding—I have never been in the British Isles—is that they have always winked at the regulations ever since they were put into effect. That is what I have been told by masters direct from British ports, that, whenever competition

afforded any reason for winking at the regulations in favor of the British ships, it was done.

Mr. GIBBS. We have been running to British ports for a great many years, and I do not know of any case where that is true; and, furthermore, I want to say that our company has carried coal cargoes in the cargo vessels owned by us, under the American flag, and that those ships have left the United States ports in no case below their draft marks. In other words, we have never, so far as I know, loaded one of our American ships, cargo boats or otherwise, lower than the draft mark on the ship.

Mr. JONES. In answer to that, I will suggest that I am perfectly willing to let the committee ascertain from any American shipping men the reputation for cautious operation which my company has. I think that the underwriters will say that no one gets any better rate on insurance than the Crowell & Thurlow Steamship Co. Our vessels have the highest classification under the society rules. I have told you how they consider the owner, and our company is a company which receives the best treatment from the insurance companies of any American owner. There are others that receive the same treatment, but we get as good treatment as any of them.

Mr. CHINDBLOM. Let me ask you this: The war has been over in England longer than it has been in the United States; when was the last winking that you know of in England?

Mr. JONES. I do not know of any particular definite winking.

Mr. CHINDBLOM. But you have heard of it recently?

Mr. JONES. I have heard of it within a year.

Mr. CHINDBLOM. If they learned the practice in the war, they have not forgotten it yet.

Mr. JONES. Gentlemen, when an American ship goes into competition with a British ship it is up against the stiffest competition in the world. The Norwegians carry more cheaply, and the Japanese more cheaply still, but the British merchant marine is a wonderful organization, and they forget more about foreign trade and shipping over there every night than we will know for a good many years to come, and there is no method of competition that they do not know about, and they do not use if they have to. It is stiff competition.

Mr. CHINDBLOM. One trouble is that they have not started that habit of forgetting.

Mr. BLAND. They know the tricks of the trade?

Mr. JONES. They know the tricks of the trade, and they take advantage of them.

Mr. EDMONDS. And they have laws in such shape that they are very elastic.

Mr. JONES. We do not want to do anything here which is going to put a further burden on our ships. We have the measurement rules now which soak us in all the harbors. The port charges are estimated on the tonnage of the ships. If you consider two ships built in the same harbor, one put under the British flag, and one put under the American flag, the American register marks that ship with a higher tonnage than the British register, and wherever you pay dues based on tonnage, you pay more money in every harbor that you go into, practically; it is not very much more, but it runs up in the course of a year.

The law is so now that if you ship a seaman in the port of New York to-day, and he is an alien and has been admitted as an immigrant in this country, he is an alien on the ship before the mast, and if your ship goes out and comes back into the port of New York, or the same port where you shipped him, and he has an infection of the eye, you are charged with the hospital expenses of that man, and with the cost of his deportation to the country from which he originally came, and you can not deduct a cent of it out of his wages. That was the bill passed last December, the most outrageous thing I ever heard of.

Mr. BLAND. Mr. Chairman, I think if we go into the general situation, we will be here a long time.

Mr. JONES. That was entirely extraneous.

Mr. EDMONDS. We have heard that before, and we have tried to run it down, but we could not locate it.

Mr. CHAMBERLAIN. I want to deny that there is anything in the British laws that is a handicap on American shipping. As a matter of fact, the effort of American shipowners for 20 years has been to swell their tonnage and make it bigger than it was before. They have had the opportunity certainly in the last five years to readjust their tonnage, but in very few cases up to a year ago have they availed themselves of it.

Mr. EDMONDS. You mean the department is willing to readjust the tonnage?

Mr. CHAMBERLAIN. It is in every case that turns up where a man says his ship is not accurately measured under the regulations.

Mr. EDMONDS. What makes these people so afraid of your department that they will not go there and get it straightened out, but they come to our committes and try to get it straightened out instead of coming to your department?

Mr. CHAMBERLAIN. I do not know why they do not come. We can not make them come. This is what happens. This is an instance. Gentlemen come here before this committee and make the statement that the measurement of the ships is a great deal bigger under the American laws than it is under British laws, and they do not come to the place where the matter is readily open to adjustment. On the contrary, as I think I showed this committee a year or two ago, in the case of ships of the coastwise type our measurement is considered less than the British measurement.

Mr. CHINDBLOM. Does the interest of the shipowners have anything to do with this disposition to get as large a tonnage shown as possible?

Mr. CHAMBERLAIN. I will tell you where it originated. It originated in this way: Away back in 1898 there was a subsidy bill pending in Congress. The basis of the subsidy was the gross tonnage, and it looked as if there was a chance of the bill passing, and men got in the habit at that time, I may say, of closing in spaces so that they would count in the gross tonnage, and they have not gotten over it. I have in mind particularly the Shipping Board—and I do not speak in criticism of the Shipping Board, but cite that as an illustration because it was the largest one—they were advised more than a year before they started to readjust their tonnage that their tonnage was large by comparison with British ships, and they did not start in to remeasure them until there was a lapse of at least 12 months, and my belief is it was 14 months.

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I have taken so much time here from the other gentlemen that do not want to butt in with a discussion of all these matters.

Mr. EDMONDS. The Shipping Board ought to have the ships remeasured, and then we will not have so many ships to sell.

Mr. CHAMBERLAIN. Times have been hard in the last nine months, and there has been a tremendous amount of remeasurement.

Mr. EDMONDS. Does that enlarged measurement of the Shipping Board explain the eight more members of the crew that they have on their ships over what an ordinary operator has?

Mr. CHAMBERLAIN. That is another matter.

Mr. EDMONDS. That has nothing to do with the measurement?

Mr. CHAMBERLAIN. No.

Mr. FURUSETH. May I ask the gentleman here a question? Mr. Jones, you say that if you hire a foreign seaman in an American port and take him to a foreign country and bring him back to the United States, and it is found that he is infected with some disease, you, as the shipowners, have to send him to the hospital, and if he is incurable, you even have to send him back again to the country where he came from?

Mr. JONES. Yes.

Mr. FURUSETH. Does not that apply to every vessel that comes to a port of the United States?

Mr. JONES. Well, it does; but you have not stated what I said exactly. The specific case I had in mind, if you want to go into this more or less irrelevant matter, is this: We shipped a seaman at Norfolk, or Newport News, on a voyage to Porto Rico and return. He was a Swedish seaman. In Porto Rico he went ashore and became infected with a venereal disease. When we got back to Newport News, where the ship went to get another cargo of coal, the immigration authorities refused him permission to land, but took him over and sent him to the hospital, and he had a bad case, and the other day I got a bill of $872 for his hospital expenses.

Mr. FURUSETH. Would not that apply to every foreign ship and every foreigner coming to a port of the United States?

Mr. JONES. Yes; but the point I was making, Mr. Furuseth, was that, after the immigration service has admitted an alien to the United States, because he chooses to seek employment as a sailor on a ship, that ship should not be charged with the same burden as the ship lugging the immigrant is charged with, when it returns with its crew, that it shipped in a United States port, to a United States port.

Mr. FURUSETH. Now you are stating that unfairly.

Mr. JONES. I do not think so.

Mr. FURUSETH. The law specifically states that every seaman who comes to a port of the United States sick on any vessel shall be removed to a hospital for treatment, and the vessel shall pay for it. Now, the foreign vessels have got as heavy a burden on that proposition as the American vessel has, surely, but you can avoid it.

Mr. JONES. How?

Mr. FURUSETH. By employing citizens of the United States.

Mr. JONES. We do when we can get them, every time, but when all the members of your unions are aliens——

Mr. EDMONDS. We are getting away off the subject.

Mr. FURUSETH. One moment. We took those men into the union after you had driven the Americans from the sea. If we wanted to have a union at all, or improve the conditions at all so that Americans could get back on the sea with the foreigners, we necessarily had to take in what you carried, and you are making us do it again, and you are driving the Americans from the sea.

Mr. GAHN. Your idea is that this load line would not make fair competition?

Mr. JONES. I would say this, that if this load line is put into effect, whether or not it equalizes the situation between us and other countries, it will no doubt add to the operating expense of all vessels to which it applies, because that load line, if the British criteria is adopted, and all these gentlemen say it will be, will not let a ship carry what our operators have proven by years of successful operation is a fair cargo by about 10 per cent. That is all in the record. This is my principal argument that, if things were different, and we were making a fair profit, and there was a reasonable expectation of the American merchant marine doing a business which would attract investors and capital, I would say that you could slightly increase our expense in order to get a uniform load-line law on steamers, but to-day is not the time to do it, and as far as sailing vessels are concerned, it never ought to be done.

Mr. GAHN. Would the summary of your testimony be that this load line bill would not insure fair competition, of itself?

Mr. JONES. This bill will certainly not, because it is infinitely more drastic than any other foreign load line bill. This bill would not only impose the burden that I have pointed out any load line bill would be apt to impose on any merchant marine, but this bill in its provisions and its penalties is far more drastic than the British law which, so far as I know, is the most drastic one extant.

Mr. EDMONDS. And even if modified to meet those points?

Mr. JONES. Then I would still object to it.

Mr. EDMONDS. You object to it, for the simple reason that you are carrying now on your boats 10 per cent more cargo, safely, and the insurance on your boats is agreed to virtually by the insurance companies, and in that way you are able to earn more money and to meet the competition of the boats that take the freight at a lower rate?

Mr. JONES. You have stated it absolutely as it lies in my mind.

Mr. FURUSETH. Do not foreign ships have to pay for care and cure of all their people?

Mr. JONES. I do not know. I do not think that has anything to do with the load line, either.

Mr. FURUSETH. Do not foreign nations pay compensation for injuries?

Mr. JONES. I do not know. I could not tell you what the foreign law is with regard to injuries to seamen.

Mr. FURUSETH. If the gentleman does not know these things, there is no use asking about them.

Mr. EDMONDS. He works under the American law, not under the English law.

Mr. FURUSETH. Does he know that the Hughes bill practically exempts American ships from taxation?

Mr. JONES. No; he does not.

STATEMENT OF MR. G. C. MORRIS, REPRESENTING THE INSURANCE CO. OF NORTH AMERICA.

Mr. MORRIS. I just wanted to say, gentlemen, that, as far as the marine insurance underwriters are concerned, they have no direct interest in this, other than to see anything in the way of sound legislation put forward: First, from a humanitarian standpoint, because it will save the lives of the crew; and, secondly, because it will conserve property. They have nothing to gain by it. Their rates are adjusted on experience. If they find that their losses are running too high they have to get more revenue, the same as any other business would do.

There have been numerous cases where vessels were overloaded, using as a basis the British Board of Trade requirements. There are American vessels going to sea in that condition now. Whether they are unseaworthy or seaworthy is a question of fact in each particular case. They might carry more than that load line on certain voyages at certain times of the year, or with a specific kind of cargo. At other times they might carry very much less. If, as the result of a load line a vessel can carry less than she would without a load line, that is a competitive situation, and they would all be on the same basis. If they needed more revenue they would charge a higher freight rate, and you would have the element of safety there both to life and property.

In January, 1920, the steamer *J. W. Vandyke*, an American vessel, built and owned, sailed from Philadelphia for Bordeaux, France, with a cargo of 9,613 tons of oil in bulk. She had a North Atlantic voyage in the dead of winter, at which time of the year heavy storms and bad weather are to be expected. The vessel was classed under Lloyds, and so marked with their pencil mark, which gave her a winter freeboard of 8 feet 4½ inches, or a draft of 25 feet 6 inches. When she arrived at Bordeaux, after having jettisoned some 400 or 500 tons of cargo in heavy weather in order to save her from sinking, her draft was 27 feet 3 inches. Calculating the weight of the cargo jettisoned, that lightened her 1 foot 9 inches, so that when leaving Philadelphia she had a draft of 29 feet; whereas under the Lloyds rule her draft should have been not in excess of 25 feet 6 inches, or an overloading, on that basis, of exactly 3 feet and 6 inches, leaving a freeboard of only 4 feet 10½ inches.

Mr. CHINDBLOM. Could you state what that overloading would be in tons?

Mr. MORRIS. I have not got that here, sir. It could be calculated out. There were 409 tons jettisoned, according to the record.

Mr. CHINDBLOM. What is the capacity of the boat?

Mr. MORRIS. What was her capacity?

Mr. CHINDBLOM. Yes.

Mr. MORRIS. Her gross tonnage is 7,155 tons, and her net tonnage 4,454 tons, but that would not necessarily indicate her dead-weight capacity. I have not her dimensions here from which that could be calculated.

There is an example. That vessel must carry a crew of at least 40 men, and they were all subjected to that unreasonable hazard.

Mr. CHINDBLOM. When did this occur?

Mr. MORRIS. The vessel sailed on December 31, 1919, from Philadelphia bound to Bordeaux. The matter was drawn to the attention of the owners. Their marine superintendent takes the ground:

> As you know, American steamers are not restricted to any load line, and it is necessary that we must load our steamers to full capacity to compete with foreign owners. We felt that the vessel was in seaworthy condition when she left here, and that it is necessary to jettison cargo during extremely heavy weather. From our insurance policy we note that there is no mention made of a load line, and can not see any argument the insurance company has, or anything in this matter.

Mr. Jones, I think, stated a few moments ago that if a vessel was loaded over her designated load line, that that would be conclusive evidence of her unseaworthiness for insurance purposes, at least. I would like to go on record by stating that that is not the case. It is a question of fact in each case. It would raise a heavy presumption against the owner, but would not necessarily be conclusive. I have never seen a policy which had any warranty or provision in it that the vessel should not load more than that, with a very few exceptions. I have known of cases where vessels or cargoes were to be insured, and for some peculiar reason in connection with the freight or type of vessel, a warranty was put in the policy that she should sail possibly before a certain date, and that she should have a freeboard of not less than so much. That is decidedly the exception, and not the rule.

Mr. BLAND. Would not the presumption against her put the burden of proof on the vessel?

Mr. MORRIS. She already has that burden, sir. The duty and burden is on the owners and operators of the vessel to provide a vessel that is seaworthy in all respects for the voyage contemplated. That includes construction, manning, provisions, proper stowage, and care of cargo, and matters of that kind, all of which are integral parts——

Mr. CHINDBLOM. Would not the vessel owner have to prove seaworthiness in making out a case?

Mr. MORRIS. Yes; the burden of proof is on him.

Mr. BLAND. But, having met that burden of proof, when the element enters that she was overloaded and that her loading mark was measured, would not there then be shifted to the owner again the burden to show that the overloading did not contribute to the disaster?

Mr. MORRIS. I do not think there is ever any shifting. I think he has to make that out in the first place, sir. I do not think there is any shifting. He must always do that.

In the case of the Lake steamer *Benjamin Noble*, it was lost in the spring of 1914, bound to Duluth, Minn., with a cargo of steel rails. The vessel was lost on Lake Superior in a very heavy storm. The master and crew of 20, all told, were lost. This is a case that has already been through the district courts, the circuit court of appeals, and the United States Supreme Court.

Mr. CHINDBLOM. When did the accident occur?

Mr. MORRIS. Late in April or early in May, 1914. I think she foundered on April 28, 1914. That is all in the record, in the case of the Cambria Steel Co. *v.* the Capital Transportation Co., which was decided by the Supreme Court and may be found in the United States Supreme Court reports.

Mr. CHINDBLOM. I have one question that perhaps will clear up my understanding of the matter. I suppose the insurance policies in all of these cases provide that the vessel must be in a seaworthy condition.

Mr. MORRIS. There is a warranty of seaworthiness, an implied warranty goes with every insurance transaction.

Mr. CHINDBLOM. That is a condition of the insurance?

Mr. MORRIS. Yes.

Mr. CHINDBLOM. Then, of course, irrespective of whether or not there is a load line, the warranty——

Mr. MORRIS. Is there, and it is in effect.

Mr. CHINDBLOM. It being a condition of the contract of insurance; then, of course, it becomes a matter of proof for the claimant to show that he has complied with the conditions when he secured the insurance?

Mr. MORRIS. There is no added burden on that, because it is there to-day without the load line. It makes no difference whatever, from that standpoint, but there have been laws of that kind. The provision of a load line is similar to the rules for a game of cards. It does not hurt the honest individual in the least, because he will live up to those principles and practices anyhow, but it does go against the fellow who is not satisfied to play along proper lines.

Mr. CHINDBLOM. It is like a man who sues for an injury. He has got to show that he himself exercised ordinary care for his own safety.

Mr. MORRIS. Yes. The load line, if properly applied, would not hurt any vessel owner. Most of these vessel owners that I have heard here seem to assume that whatever basis for a load line is established by the Department of Commerce would be an unfair one, and put them out of business. I do not think that is the intention at all. It is merely to fix a maximum, without favor, for all vessels of a given type in given periods. The requirements would be vastly different for sailing and steam vessels on the Great Lakes and on the ocean, and for different voyages on the ocean. There is nothing in this bill which prescribes what it shall be. That is left to the discretion of the Department of Commerce.

As regards leaving the question of the load line to a captain's discretion, I think that is a great mistake. In the *Benjamin Noble* case, the language of Judge Tuttle, of the district court, in Detroit, in that case, was: "That the master is to the owner as the cabin boy is to the master." In that very case the owner told the captain to take on additional cargo. The captain telephoned there was a question as to whether he could safely take additional cargo and the owner said, "Yes; go ahead, and put it all on"; and he did it. And any master who does not load as he is told to by his owner has got to look for another job, or the owner will get some one that will obey him.

I think that is about all I have to say.

Mr. BLAND. Is there any board or tribunal to-day that a master could appeal to, to determine whether a vessel were properly loaded before she went out?

Mr. MORRIS. Under the United States shipping laws there have been frequently cases where the master or crews have refused to go to sea in a vessel on account of the fact that the improper stowage or excessive deck cargo did not give her sufficient stability, and the collector of the port has insisted on either the restowage or removal of a part of the cargo. There are possibilities, but it is pretty hard for them to get away with it, when it comes to practical application, unless there is a very marked overloading.

Mr. BLAND. What companies are you representing?

Mr. MORRIS. The Insurance Co. of North America and the Alliance Insurance Co. of Philadelphia.

Mr. BLAND. Those are American companies?

Mr. MORRIS. Absolutely.

Mr. CHINDBLOM. You mean they are marine insurance companies?

Mr. MORRIS. Yes.

Mr. BLAND. I understand that all the companies whose representatives appear here are either marine insurance companies or handle marine insurance?

Mr. MORRIS. Yes; so far as I know.

Mr. BLAND. Either in whole or in part?

Mr. MORRIS. We are engaged in other branches as well as marine insurance, but I was speaking of marine insurance.

Mr. CHINDBLOM. That is what I intended to ask, whether you are exclusively a marine insurance company?

Mr. MORRIS. No, sir; we do probably twice as much fire business as we do marine business.

Mr. CHINDBLOM. Is there anybody else who desires to be heard on this bill at this time?

Mr. FURUSETH. Mr. Chairman, I would like to say a few words.

Mr. CHINDBLOM. Very well, Mr. Furuseth.

STATEMENT OF MR. ANDREW FURUSETH, REPRESENTING THE INTERNATIONAL SEAMEN'S UNION OF AMERICA.

Mr. FURUSETH. The International Seamen's Union of America in its conventions has from time to time passed resolutions favoring a load line—that is to say, a proper load line.

The bill that you have before you, so far as I have had time to read it—and I just got hold of it—indicates that what we are liable to get under the bill is the British regulations. The British regulations are a very serious modification of the original load-line bill that was passed in Great Britain at the instance of Samuel Plimsoll. The shipowners and insurance companies, all of them, were utterly against the bill in England when it was first passed. It was one of the things that in that period convulsed the whole English people, the exposition that Mr. Plimsoll made of what was taking place on account of vessels being sent to sea as the coffins of the seamen. It was proven before Parliament and its committees that there were dozens of men sitting in prisons in the ports along the English Channel coast for having refused to remain on board a vessel or having compelled the master to go into port with a vessel that was unseaworthy. The vessel came in, the men were sent to jail, the vessel went out, and was never heard of again.

Mr. CHINDBLOM. About what period of time was that?

Mr. GIBBS. Before 1876.

Mr. GOULDER. 1873, was it not?

Mr. GIBBS. Yes; before that.

Mr. FURUSETH. 1873.

Here is a book called "Altering Plimsoll's Mark." It is written by Charles P. Hopkins. He is prior of the Order of St. Thomas, I think it is called. This book was published in 1913, after Great Britain had had an international conference—or an inter-European conference, rather—for the purpose of altering the Plimsoll mark. As the result of the work of that international conference the Plimsoll mark was put a great deal higher on the side of the vessel than it had been before. The vessel was robbed of her buoyancy, and the number of wrecks that followed as the result of it caused the writing of this book.

The load line, as we know it to-day, is very largely the shipowner's conscience. He goes to sea and is sunk. Well, he was not loaded above the mark; or she was operating under this, that, or the other regulations that the Governments have prescribed.

Dealing with this question, one of England's great men said:

> Bear in mind, when a ship is lost, the shipowner may make a profit; the owner may get more than the value of his ship; the merchant may lose nothing, but may, and very often does, get more than the value of the cargo back. In the same way the underwriter averages his losses and on the whole makes a profit on the insurance of the ship out of his premium.

Mr. CHINDBLOM. Who was it that said that?

Mr. FURUSETH. Joseph Chamberlain, of Birmingham, popularly known in England as Birmingham Joe.

Here is what he says in another instance:

> If Mr. Plimsoll should choose to engage in another crusade such as that he was engaged in some years ago, I will undertake to say that he can find the facts more heart-rending, cases more disgraceful than any of those which he included in his celebrated book, which created so great a sensation at the time of its publication. I myself could furnish him with facts which, if they were known and appreciated by the people of this country, would rouse a cry of indignation from one end of the land to the other. Mr. J. Chamberlain, president of the board of trade, 1883.

Mr. CHINDBLOM. Tell us, Mr. Furuseth, when that change was made.

Mr. FURUSETH. In 1909, I think it was made.

Mr. CHINDBLOM. By act of Parliament?

Mr. FURUSETH. By inter-European agreement, indorsed afterwards by act of Parliament.

Mr. CHINDBLOM. Did the original act of Parliament place the administration of the law in a commission or board, with the power to use any discrimination in the matter of apportionment?

Mr. FURUSETH. The original law, I think, gave somebody a discretion, with the result that it was the laughingstock of everybody, and one man put the Plimsoll mark on his sail.

Mr. LECKIE. On the smokestack.

Mr. FURUSETH. No; it was on his sail, because it was a sailing vessel. At least, that is the way I got it. And so Parliament passed a real bill, specifying how deep a vessel should be loaded, and saying what would be a safe buoyancy for the vessel to have, or a safe loading mark, and they insisted, under penalties, on the enforcement of that.

Now, then, the shipowner, of course, as usual, never quits. He promptly went to work and got the law changed, with respect to the summer Atlantic trade, and then he got some changes with respect to some other trade, and then he got additional changes with respect to sone other trade, until there were nothing but changes all around. As a matter of fact, of course, there are trades in which there are nothing but summer seas. When you speak of going at certain times of the year from Singapore to Capetown, you go through summer seas all the time, but at any time of the year that you go through there you are liable to have a hurricane of a typhoon. A vessel that is in the general freight traffic goes everywhere.

The real substance of this trouble, gentlemen, is this, and it is the same in England as it is here and in every other country. When the legislative powers of the different countries took away from the shipowner the liability under which he was resting to the traveling public and to the shipper, they took away that self-interest that is necessary to stand guard for safety, and the less you have of shipowners' responsibility the less you have of safety. The Governments had to step in after a while. This thing began about 1876 in England, and in 1851 in the United States. As it went on and grew more and more complete, and the shipowners were relieved from more and more responsibility, from more and more risk, his only interest in the vessel was to get the cheapest kind of men, but lose nothing.

Through the insurance companies it was all distributed to the public. The shipowner counted it all in his actual expense of operating the vessel, and the operating expense of the vessel, of course, comes directly out of the consumer ultimately. So that no matter what he does, he loses nothing. It is the public that pays and the public loses. It is only when he wants to get some particular privileges that he comes talking about his responsibility and about his losses.

Now, we are in favor, gentlemen, as seamen, of a proper load line. Senator Perkins, some years ago, started with it. After he had gathered a large amount of facts, and I knew about it, I went to him one day and I said, "Senator, are you seriously considering the structure of American ships?" The majority of American ships, as we had them then, were single-deck vessels, sail or steam, calculated to carry a big deck load. They were built in such a way that if they had a bulk cargo on their meter center got so low that they tore themselves to pieces in the sea. They would go like that [indicating]. It is like taking the strongest kind of a stick that has some little elasticity to it, and by sheer force bending it over. You let go and she swings back like a whip.

Mr. BLAND. You mean that is how the ship rode?

Mr. FURUSETH. That is how the ship rides if the meter center is very low down. All those single-deck ships are built so they roll that way with the underdeck bulk cargo, and they are not really fit to carry an underdeck bulk cargo. When we carry coal from Australia to San Francisco or the Pacific coast ports, or in any other direction, we sometimes have to put boxes of coal on deck in order to balance the ship. When they have a proper deck load on they roll as easy as a cradle. They take care of themselves, and they are absolutely alive in the sea. They come and meet the sea like a living thing. Then they have buoyancy and a proper balance.

That kind of a vessel necessarily will have to have an entirely different loading mark from a double-deck or triple-deck vessel that is not designed to carry a deck at all, and where a deck cargo would be unsafe. A single-deck vessel is really a vessel in which all the between-deck cargo is on deck. A steam freighter, such as we have here in the United States to-day—and we have some hundreds of them carrying about two million feet of lumber—will have 900,000 feet of that lumber on the deck. It is properly stowed, carefully stowed. Then it is buckled down with turnbuckles, and tied down to the vessel, and then when it gets above the rail it gets another turnbuckle that holds it, and unless the vessel is overloaded—that is to say unless the deck cargo is too great, or too high, or the lumber that she has on deck too wet—she manages fine in that way, and can go through any kind of weather or sea that an ordinary vessel can go through. If you take the same kind of a vessel built in that way, and without a deck cargo, she will in all probability founder.

So that in dealing with this question of a load line, it is a thing we ought to have, because the shipowner—and I am not talking now of the good shipowner (and, thank God, there are a few of them) who does not need any law, because his law is his conscience and his humanity; it is the bad man that you need the law for, but a bad man knows how to approach a governmental official in one way or another, he knows how to influence commissions in one way or another, he knows how to get their rules made so that they constitute his conscience and allow him to do what he wants to do in one way or another. So when you make a law in which you confer upon somebody the right to issue regulations under which the depth of the loading is to be determined, you are simply, in other words, giving it to the shipowner himself, and you are taking away from the seaman the right to come before a court of inquiry and claim that the vessel is overloaded.

Mr. CHINDBLOM. I am interested in the subject of that single-deck type of ship. Where are they operating principally?

Mr. FURUSETH. On the Pacific coast, on the Atlantic coast, and almost exclusively on the Lakes. The Lakes have hardly anything else. Practically all the vessels on the Lakes, outside of the package freighters and the passenger ships, are single-deck vessels.

Mr. CHINDBLOM. On the Great Lakes?

Mr. FURUSETH. Yes; on the Great Lakes.

Mr. CHINDBLOM. What proportion of the ships on the Pacific coast are of that type, just approximately?

Mr. FURUSETH. In the coastwise trade I should say three-fourths of them.

Mr. CHINDBLOM. And on the Atlantic coast?

Mr. FURUSETH. Mr. Pendleton would be better able to answer that question; I do not know how many. They have built some big steel ships, so-called, steel barges, I call them, at Hog Island, single-deck ships. They were supposed to have some advantage, and to have been good ships, when designed and built in that way, and strong enough for the sea, but they open out, throw their hatches down on their cargo and sink. All those vessels that have gone on the Lakes have had to have their construction changed. They have strengthened the decks, strengthened the hatches, and all kinds of things of that description, in order to prevent them from going down after they had gone through several gales up there that they say only come once in an eternity. Unfortunately, they come pretty often.

Mr. CHINDBLOM. When did that change of construction begin?

Mr. FURUSETH. That kind of construction has been on the Pacific coastwise trade since the year I came there, and that was in 1880. It was the kind of vessels we largely had on the Atlantic, smaller vessels, before that time. On the Lakes I do not know that they ever had anything else. I do not know enough about the ancient times on the Lakes to tell you, but the great bulk of American shipping, or coastwise shipping, of the large schooners and the good-sized freighters are single-deck ships, and while they need Government regulation—I do not mean regulation through the department, but real laws to prevent the gravedigger menace, that class of business men who dig everybody else's grave except their own—while that is needed, I am not in favor, as presenting the seamen, of a law that will give to any department or any commission a final say as to how deep a vessel shall be loaded. They will listen to the owner and the mark will be put there.

The captain may know better but he can not help himself. As somebody here has said, he is to the shipowner as the cabin boy is to the captain. He obeys the orders or quits. He goes to sea because he has to earn a living and take his chances, and if the law of God is not good he never comes back. As far as the seamen going are concerned, all they have got to do is to quit. Fortunately, they now have that right. That is one of the things they want to take away from us now. But what happens then? Then the shipowner goes and gets somebody else, and he may find somebody else that does not know anything about that particular ship and perhaps not about any ship, and he goes to sea with the vessel in that shape.

The shipowner, as a general proposition, is against this bill, because it will take some part of his capacity for loading away—that is, take his earning capacity away—and if the bill is going to do any good it has got to be better than the English law, because the English law, as it stands now, is nothing more than a law that gives you permission to kill people. It has got to be more strict than the English law if it is going to do any good at all, and that means it will take more of their earning capacity away than even this bill would contemplate doing; so they are necessarily opposed to it.

Now, about the Shipping Board? Well, the Shipping Board is a shipowner, it deals with Congress, and it is the United States Government when it deals with the seamen. But, as a shipowner, it has got all the faculties, all the weaknesses, and all the vices of a shipowner. It learns to look upon the ship and its earnings as everything in the world, and to ask, "How much will it pay me? Is it red or black underneath?" That is all. How much it costs or anything else does not make any difference.

So far as in relation to this bill you have before you, while we want a law that will give better security to property, and especially to life, than we have now, we do not believe that this bill will do it.

Mr. GAHN. How about the Japanese law?

Mr. FURUSETH. The Japanese law has come very lately, if it has come at all, but it does not amount to much yet. We do not know what it is really; at least, I do not know.

Mr. CHAMBERLAIN. They have not begun to enforce it yet.

Mr. FURUSETH. Well, I do not know what it amounts to.

The real trouble with this thing is that the shipowner himself goes to sea without boats and life-saving appliances, gentlemen,

because he is not responsible to the traveling public, and he goes to sea with an unseaworthy ship because he is not responsible to the shipper and he is clear of all responsibility.

There is something here stated by Sir Joseph Chamberlain that is very interesting:

> We have established a great and elaborate machinery; we have set up a complicated system under which we have pretended to supervise every shipowner, good and bad alike, and under which we have tried to make negligence, carelessness, and apathy impossible. But we have never yet tried to make it unprofitable. Joseph Chamberlain.

Now, you have got incapable officers, incapable captains, incapable men, and pilfering and stealing. Why? Because the shipowner himself is not responsible, and we have got all kinds of laws proposing to make him responsible by some criminal statute. Then, as a matter of cold-blooded fact, we know that in 99 cases out of 100 every disaster carries with it the evidence to the bottom and it is impossible to prove those things against it. If the captain comes to shore, he does not dare speak, because if he speaks he never gets another job. If the sailor speaks, the old principle that the slave can not testify against his master comes into full application, and the judge will sometimes gently but firmly admonish the jury to "be very careful of the testimony of the seamen because they are addicted to spinning yarns," as I have heard the admonition given to the jury many times.

So that while we are for a bill that will actually result in Congress making a law that will be applicable to ships and can be enforced on the ships, on this kind of a bill, unless it is very much changed, we will find ourselves in company with Mr. Pendleton and Mr. Thurlow and out of company with the International Mercantile Marine and the American Shipowners' Association.

Mr. GAHN. How would you change it, Mr. Furuseth?

Mr. FURUSETH. Well, I would have a commission of experts determine what the maximum is because the maximum is the minimum in this case. The shipowner should be permitted to load up to a certain maximum, and that would be his minimum, because all his interest teaches him to reach for that. So I would appoint a commission or a committee of absolute experts and as nearly like the people who elect the Pope as possible, and I would let them draw a bill, and then I would pass that bill and enforce it, and I would give the department no authority except to enforce the bill, and I would let the courts supervise the department and see that the department did it.

Mr. EDMONDS. You agree that this bill is better than nothing?

Mr. FURUSETH. It is not now; no.

Mr. EDMONDS. It is worse than nothing?

Mr. FURUSETH. It is worse than nothing, because when you patch an old sail you simply tear it. It is better to put tar on it than to put a patch on it. To do something with a grievance and not deal with it right is to put it to sleep for the next 25 or 30 years, but, if you are going to do something, for heaven's sake do something worth while, or else go on drowning people for a little while longer until you learn how to do it right.

STATEMENT OF MR. HARVEY H. GOULDER, CLEVELAND, OHIO, REPRESENTING THE LAKE CARRIER'S ASSOCIATION.

Mr. GOULDER. I am not an advocate or an opponent of this bill. I am more interested in the administration of the law. I am in favor of the principle of the bill, but the question is how are you going to work this thing out? That is the thing that concerns me.

I shall speak, when it is necessary for me to say anything, more particularly with respect to the large ships on the Great Lakes, those which are in the Lake Carriers' Association, although we have gathered in some other ideas from Mr. Leckie, who will speak in reference to the smaller class of boats, the sand boats and the gravel boats, and perhaps on behalf of the lumber people, who are largely inclined to oppose the bill so far as it is applicable to them.

Now, with respect to our large ships, of course, there are various restrictions of draft and that sort of thing, which are understood by the committee, and understood by everybody, which would make the bill not properly applicable to such ships that do not load to the freeboard. Perhaps a freeboard regulation would be a good thing, and to that extent we have no possible objection to having the freeboard, but our Lake ships have been for nearly 100 years segregated by reason of the peculiar conditions, the difference in their construction, and the dozen different elements which distinguish them from ocean ships, whether they are coasting ships or not. We have absolutely got to have, in all fairness, a special consideration given to those Lake conditions. That applies not only to our large ships, but it applies to those concerning which Mr. Leckie will speak.

Our thought was whether we should be here at all, except in courtesy to the committee, on account of the fact that we were in the original meeting following the international conference in London and speaking there of this segregation of the Lakes, that were segregated in that committee. A committee that comes down here to-morrow and will have the special report, I suppose, of the Lake section of their committee, on which they had Herriman and Prof. Sadler, but what shape they have got it in or what they will recommend I do not know.

We are not going to be easily satisfied with a load-line provision. In the first place, we are not satisfied with what Mr. Furuseth talks about, a law. You can not make a law of this kind to meet the conditions of all the ships, and the general standard, of course, is inapplicable practically in every way, and we do not want it to be taken away from those men or those experts who know the special conditions of the Lakes, the special construction of our ships, and exactly what we need in the way of a freeboard bill, if it is considered a good thing to have a freeboard bill.

Now, Mr. Leckie says that you have got here a proposition that does not affect us at all; that is, your international interchange does not affect us. We have over across the Lakes Canada, which has not any load-line bill. We have some competition with them, and we do trade with Canada back and forth, and we have quite a tonnage up there. We have not any fear in the slightest of the disposition and desire of this committee to have this thing right, and we are extremely anxious that anything that is done shall be right, well con-

ceived, well considered, and well worked out, and applicable to all of our ships, or any of our ships up there where it does apply in perfect justice, and with a thought to that reasonable amount of safety which we must all have. It is contrary to my disposition to talk here about opposing anything that makes for safety. Who would or who should? That is not the idea at all.

Then there is another thing I want to speak of to the committee while I am on my feet. You have heard the story; but it does not do any harm to repeat it, if one does not take too long a time to go into much detail. I refer to the restrictions on shipping, the regulations with regard to shipping, the little expenditures here and there put upon shipping, the fines that are put on officers, the opportunity, to somebody in some way, for some reason, to stop one of our ships where the expenses are very heavy, perhaps $500 a day, and at times $1,000 a day. Our ships go into port and come out of port on the same day, possibly between dark and daylight, sunset and sunrise. Everything we get on the ships in the way of encumbrance is not a good thing, it is a bad thing, and nothing of that kind should be put on any ship, and we object to it being put on our ships unless it answers a real need and a real purpose which is well grounded in some consideration that ought not to be objected to by any straightforward, well-thinking and well-intentioned man. Now, of course, to be that, in reference to the load line, I have heard a great deal here about unscrupulous owners and unscrupulous insurance companies and all that sort of thing. I can see the advantage of a load line to an insurance company, because whenever it reduces the cost of insurance it is a good thing for the people who are dealing in insurance. The gentleman says to you he can not afford to insure because the underwriter has got to pay losses out of his premiums, and he has got to have enough premiums to cover the losses. That being true, it is a good thing for anybody in that business to have the losses so low that people can afford to purchase insurance. And so far as unscrupulosity in the matter is concerned, from my experience with vessel owners, not alone on the Lakes, but elsewhere, I think a great deal more difficulty is rather with the personal equation.

If you should have men talk about lifeboats here this morning, one man might think six lifeboats are enough, being of a rather enterprising and fearless disposition, and some more timorous fellow might think that a dozen were required, and perhaps some other man, and a better regulated man than either, having a broader view, would say that nine are enough. And so, with regard to the loading of a ship, I do not think it necessarily indicates dishonesty if some man's judgment is that such a ship could load to 18 feet and another man thinks it ought to be 17 feet 6 inches, and another one 18 feet 6 inches. I do not see why you should say that the man who talks about 18 feet 6 inches is any more dishonest than the man who says 17 feet 6 inches, because his judgment is very apt to be, from my experience and observation of a great many years, a very honest judgment. And the same is true with any or all of them.

Mr. Furuseth speaks for the seamen, and he gets all out of proportion, because he does not see in due proportion to the other things. Some men see the thing from the vessel owner's viewpoint in that way. People do get things out of proportion, and there are mighty few men that do not. But what we are anxious about is not so much

the question whether or not you have a load line, or do not have a load line, because I do not think we endeavor to overload our ships, and I think we get along very well and very safely without any load line on the Lakes at all. I do not see why we should object to a load line if that load line is a fair load line in the individual ship, but I do not see how it is possible to get that by a general rule. I do not want to see that left to an official of the Government here in Washington. I do not want to see it left to the inspection department, because they are not skilled in those things.

There is the question of the stresses of the ships, the build of the ships, the character of the ships, and the character of the business, and when talking about safety of property and safety of lives you have got to consider the safety of business, the safety of our American merchant marine, and safety all along the line, and whether or not we can establish a load line with any safety to the people who are investing their money in the ships, which are furnishing the cheapest transportation in the world, on which this country is so dependent. Every year we bring down 85 per cent of the iron that goes into the manufacture of steel in the United States. We are pretty important in that industry. We carry all the coal up to the Northwest, and we do it so cheaply that you would not have that steel industry and that development in this country if you had not had our Lake transportation, or the equivalent in some way of those cheap rates. It was only in the seventies that an English committee came to Lake Superior. They were considering the competition of our Lake Superior ores in the steel business, which depended on them, and actually reported back that our iron ore deposits and their counterparts were separated by such wide distances that the cost of assembling them would be prohibitive, and they had not anything to fear in respect to the steel industry in the United States by way of competition with England. They were very happy about it. You see what has happened, because nature has given us that waterway and the Government has wisely improved it, and there have been men of enterprise who have built the ships, and we have had them operating up there and have one of the most highly specialized transportation businesses in this world. We have done that, and we have been honest enough with ourselves, with the public, and with our sailors, and with everybody we have come in contact with—we have been honest enough about it, fair and open enough about it, to accomplish the wonderful development. And I think we could be trusted, as far as the moral hazard goes, without a load line, but I do not see why we should object.

Mr. EDMONDS. Do you think there would be less ships founder if we made an arrangement by which an insurance company would only pay 50 per cent of the loss on a ship?

Mr. GOULDER. I do not think so. I am speaking now of the Great Lake business, where I think I know every man who has been for 25 years at all prominent in that business in any leading, official capacity, and I know perhaps a very large percentage of the masters; and I do not think the moral hazard up there is worth troubling about.

You understand that on the ocean the system of insurance is very different. The valuation of our ships is not fixed by agreement over the counter with the underwriter; the valuation of our ships is fixed

every year. Our steamships, and we are practically all steam now and no sail, are getting to be large ships. The dominating type now is 10,000 tons or more, and we will have, in two or three years, 50 of these over 15,000 tons and about 600 do the whole work. But, not to digress, I do not think those men ever overload their ships with any prospect of gain. I do not think that is the idea. I think if a ship should be overloaded it is a matter of bad judgment rather than something else. I know of a number of fleets where the owner has told the master "You must never load under any circumstances deeper than so much, and in all cases use your own judgment and load lighter if you see fit."

Mr. GAHN. On the Lakes, where one shipowner has several vessels, is it not true that some of those vessels carrying the same class of cargo are differently loaded because the master in each boat uses his own judgment?

Mr. GOULDER. Yes; there is variation about that, and different conditions of weather cause a variation in the same ship and in different ships in the fleet at different times.

Mr. GAHN. So that it can not be said that on the Great Lakes the owners direct their masters to overload?

Mr. GOULDER. I think that is entirely wrong. I never knew of a case, never heard of a case, and never suspected a case of that kind, where an owner deliberately, for the purpose of greater risk to the ship had the ship overloaded, or for the purpose of gain had his ship overloaded to a dangerous extent, but they may have used bad judgment. Anybody may use bad judgment. Now, it is because that bad judgment might be used, it is because a load line would be as near as possible a substitute for the judgment of a very expert and experienced ship master who knew all about construction and stresses, that such a law, when applied to everybody alike, might be a very good thing. If this committee thinks they can come to something like that, we have no disposition to oppose such a law, I am willing to say, and I think our vessel men up there in the large trade of which I am speaking also think that would be a good thing, and the only question is how are we going to get at it. We showed our good faith in working out this thing. It cost the British or somebody $150,000 or $250,000 to gather the data for this thing. It was an awfully hard thing to work out some rules over there, so that at a meeting a committee was appointed that I suppose is the same one that is coming here to-morrow. They appointed on that committee some people who knew about Lake conditions, Herriman and Sadler. They said, "We can not get an appropriation from the Government just now. We do not want to ask if just now. This will have to be done at the private expense of the shipowners up there," so $10.000, or whatever the expense of that committee was, was voluntarily contributed, so much per boat, or in some way of that kind, by whosoever was willing to do it, to raise enough money, and we have gone along with the thing. We are quite willing, we are more than willing, to go on with the committee, to go on with the Government, always with the idea that there can be no justice in a load line by an absolutely arbitrary rule. It is impossible to get any man who is an expert in the technique of the thing, it is impossible to find a man who will say that you can do anything of that kind.

Over on the other side is perhaps the difficulty of treating each ship as an entity, and going through all this for a particular ship. Nobody can stand the expense of that. How near can we come? What can we fashion? Mr. Chamberlain has just shown me a little amendment that he has, about having experts in different localities. How near can we come in doing that?

On the Lakes 90 per cent of all the business is down in ships of a common type, which was designed by R. J. Hackett in 1869, and we have applied the best principles that anybody could find anywhere and used the best materials to get the best ships, and we have reduced the freights very much by having large ships and having docks, and all that sort of thing up there. At the mouth of the Detroit River we are restricted in draft, and we have to publish up there the draft of all the harbors. For instance, Buffalo be at one time 20 feet 6 inches and another time 20 feet—perhaps within a month. Those are posted daily, or at least put up until there is some change. And the ship that was capable of going in the 25 feet has got to go to harbors where she can not get in, can not do her business, drawing more than 20 feet at times, or 19½, or 20½. Those ships do not need any load line, and I do not suppose the Government or anybody else would think of putting a load line on their smoke stack or away up on their guy. All those things can be cared for.

So also, when it comes to the craft here for which Mr. Lackie is going to speak, the craft that are working in the harbors, it is very difficult to see why they should need any load line. Some ships operate in a special trade on very short routes. There are ships operating in special trades that have high hatch combings. All those things ought to enter into it.

Mr. EDMONDS. Would they not be taken into consideration by the marker?

Mr. GOULDER. That is a thing we have got to look out for, and I am going to say very frankly that we are afraid, from experience, of doing that in some very broad, general way, and saying, "You can appoint some official of the Government to do this, that, or the other." We would be satisfied with the American Bureau of Shipping, or any equally good institution, if there were a committee of experts who were real experts, not only experts in designing a ship, naval architects, but experts in regard to a familiarity with the companies and how they built their ships and why they built the ships.

Let me tell you this, and then I will close. The American Shipbuilding Co. built last year on their own account four ships, I think the largest on the Lakes. We had the old transverse system, and then they had the longitudinal system, which was brought in, whose construction involves the dead-weight capacity of certain dimensions, and we combined the two. Before those four ships were laid down in any position, not only the naval architects of that shipbuilding company, but other naval architects and representatives of classification societies, fleet engineers, fleet captains, and managers to a very considerable number got together, and the history of ships was looked up, as to where a weakness had been developed, where they had had to reinforce or strengthen, where repairs had come in the operation of ships, with a view of getting the most perfect type of ship for the Great Lakes service that could be designed by the brain of men and out of their experience.

That is what we do on the Lakes, and that is what we have to do. We have to have a special type of ship. That is what we want, to get in the expert and the man who knows, the man who knows the technical details, the man who can figure stresses, figure cross sections, figure the parts, where the parts should go, and everything of that description. Now, if we can come pretty near, if we can approximate that, and I think we can approximate it, we might have a load line, and would have a load line there that is good.

We do not have to bother about England, and what they are doing, up there. It might be a good thing if we could have a law for the ocean, and have a separate law for the Lakes. I do not know but what you can have a general law, and by some such method as section C here take care of the Lakes and sufficiently segregate them.

But there is one thing that I think must be done, and I give you the result of my experience of many years with the handling of such matters up there, where I am familiar with the conditions, and where I know—one thing that is essential, in order to do that even-handed justice in the matter which, of course, will be the object of this committee; and you have not any easy job in doing it, on this sort of a subject—the only way that can be done is to get such a complete, segregated treatment of that Lake situation as will not have it involved in any commercial, physical, or other considerations of some other locality, no matter how good they may be, or how necessary and how essential they may be to some other locality.

For years and years, Mr. Chamberlain will state, and even during this war period we had, I think, in 1914 more than a third of the active tonnage under the American flag. We had more than one-half of the metal ships in the active carrying trade on the lakes, more than half of all under the American flag. It has grown up and grown to those proportions, and I assure you it has grown up most intelligently, and you know it speaks for itself. It could not grow, it could not accomplish what it has unless it was done intelligently, and the day has gone by, if there ever was a time, when people would send ships to sea to get the insurance, or when they would speculate on the dangers of the sea. The day has gone by for anybody to do that, certainly in the circumscribed area such as the Great Lakes, where everybody in the business or connected with the business, as owner, as shipper, as master, as sailor, or anything else, knows personally or knows about everybody else who is in that business in any capacity, and with our furnace men owning in ships, our mining men owning in ships, and the whole interlaced business that there is there. That is the kind of people who come there. They are honest, straightforward, open-minded, honorable, intelligent, and competent business men, and just as honest as any other similar number of men you would find here.

Mr. EDMONDS. Can you not send some of them down along the coast to help us out?

Mr. GOULDER. Of course, a person is likely oftentimes to think that he and his people can do a whole lot, but I do not think you will find many people up there, Mr. Edmonds, who would care to tackle the job, because, as I have already said, ours is a very highly specialized business. We got into that ore trade, and we go to docks, and the docks and the ships fit each other. The ships have their 12-foot center hatches, and the high docks have their plows for plowing the ore from the cars or pockets so regulated that we have loaded from 12,000 to 13,000 tons of ore in less than an hour. We go down to the other end, and we find a Crowley machine that will grab up 17 tons, and the Brown electric machine that will grab up 17 tons, and they are making some now that will take up 20 tons, and they have taken out 20,000 tons of that ore from the ship in less than four hours—in three hours and some minutes. Of course, that is just a case of what can be done with it. I do not mean to say we do that right along; but frequently it is only four or five hours from the time a ship passes the breakwater, going in, until she comes out loaded with 10,000 or 12,000 tons of ore.

Mr. EDMONDS. You do not even give the poor sailors a chance to spend half their pay?

Mr. GOULDER. We do a great deal better for our sailors than that. We have a savings-bank arrangement by which, if a man wants to go ashore and desires also to avoid the temptation of squandering his money, he does not have to draw all of his money; he can draw any part of it he wants, and he can have a draft for the rest of it and have it sent to a savings bank and deposited in a savings-bank account opened for him there, if he has not one, or applied to one if he has already had one opened there; or if he leaves the country and has a savings-bank account at home it can be sent there to him; or if he has any relatives or anybody any place that he wants to send it to, it can be sent there—all of his wages or any part of his wages. And I am very thankful to be able to say that a great many millions of dollars have been thus deposited, and that we do not have our men—and this is a very fine thing to say—we do not have our men according to the traditional drunken sailor frittering away his money and all that sort of thing; that was always highly libelous, but had some truth in it. Such a tradition or such a libel would never originate, as we think, with us up there now in that respect.

Now, I am here to say that our Lake Carriers' Association, for the big ships, many of which are not in our association, just as Mr. Gibbs, I thought, very finely expressed it, is not against the principle. We have never been against any principle of what is necessary for safety. We are just as anxious for the safety of every crew as the committee can be, and we are anxious for the safety of our ships. The insurance companies fix the valuation on the ships, and the insurance companies fix the rates. If we want to insure, our valuation in the policy is so much per ton, and we can pay on that a certain rate. Further than that, we have a self-insuring institution that carries 25 per cent of the loss at cost, through the owners who pay in the regular season's rate of premium as an original subscription, and we get a part of it back if there is a surplus when the losses are settled; or if there is a deficiency we are assessed for it. So they carry a lot of their own insurance. There are in our Lake Carriers' Association a third, or nearer a half, possibly, of our ships that do not carry a dollar's worth of insurance.

So I beg this committee now, when you are listening to talk about such business men, such institutions as that great big institution which consists of iron men, grain fields, and docks, and railroads feeding the docks, and the ships carrying to the docks, and taking it out, and the elevators and the railroads going away and doing very little other business, some of them, at least—when you are talking about

that I beg you not to listen to those things which may have once had some foundation (about which any man with imagination could write a book, getting his material from a period 20, 30, 50, or 100 years ago), because it is not applicable.

Mr. EDMONDS. What we are trying to do is to build up something for 20 years ahead.

Mr. GOULDER. Coming to you and speaking frankly, as I do, there are less than half of our ships in operation on the Lakes. The war business has gone down very much. We passed a blast furnace at Youngstown last evening. In May they had at least five furnaces out of I do not know how many, eight I think, they own altogether—they had five in blast. They reduced that number to two. They expected to have eight in blast, but on the 1st of August they are going to discontinue one of them, and they will only have one in blast in a week or so until further notice.

So perhaps 60 per cent of our ships are not running, and I do not find in my daily contact with shipping men, iron ore men and those people—I do not find people there who are discouraged, and we are not all at sea and befogged, we are not utterly disconsolate; we are planning on going on and doing business and making some money; but, as you say, we are looking to the future, and they are laying their plans for the future, and somebody is now engaged on a plan for a somewhat larger lake ship than any we now have on the Lakes. We are going to do business; we expect to do business; we have done it right and we want to do it right, but just as we objected very recently to putting the fees and the expenses of two of the departments on the individual ships, we can not stand the burden. We can not make any money now; we are not making any money; none of the ships are making any money that I know of. We have gotten things down to a close margin, and we have got very low freights; we have got a trade that everybody depends upon and that is doing an immense amount of good, and we are all the time running against this, Mr. Edmonds, in our business——

Mr. EDMONDS. Do not forget that this committee saved you from being put under the Steamboat-Inspection Service this year.

Mr. GOULDER. Yes; and we are extremely grateful. Mr. Gahn knows how grateful we are for that. We are not, Mr. Edmonds, in any sense in fear or in dread of this committee. We do not like to bother you any more than necessary; but we are not in any fear or any dread of coming here, because I assure you that we have come here with the feeling that you can not have any other purpose than the best purpose, and our people feel that we have that purpose, and we want to work it up.

Mr. EDMONDS. That is exactly what we are trying to do, and in my eight years on this committee I think we have always tried to be reasonable.

Mr. GOULDER. We have always felt that we had that treatment. As I say, we come here without any dread, without any fear, and if we do not get what we want we will not go away and swear at the committee and all that sort of thing. We will think that this is one time when the committee did not exercise the most expert judgment.

Mr. EDMONDS. Will you go away and say that you did not deserve it, so you did not get it?

Mr. GOULDER. No; hardly that. We are apt to say that the committee is a wonderful committee, but, of course, to err is human and to forgive is divine, and the committee has erred, but we are not kicking about it, not swearing about it.

Mr. EDMONDS. I thought you would go away and say you did not deserve it, so you did not get it.

Mr. GOULDER. I am glad I did speak of our view of this thing, but I want to see what that committee that is coming here to-morrow has evolved. I do know something about our Lake people, but I know it rather superficially and not thoroughly. I understand the committee is to be here to-morrow with the main committee, or their representatives, to show what kind of a policy they have figured out. I have seen Mr. Chamberlain this afternoon on that subject. That is what we want to work out.

I am not here to oppose this bill, nor am I here to help thrust it on somebody. I say we are willing to accept the principle of a load line.

(Whereupon, at 6 o'clock p. m., the committee adjourned until Friday, July 15, 1921, at 9.30 o'clock a. m.)

COMMITTEE ON THE
MERCHANT MARINE AND FISHERIES,
HOUSE OF REPRESENTATIVES,
Friday, July 15, 1921.

The committee met at 9.30 o'clock a. m., Hon. George W. Edmonds (acting chairman) presiding.

Appearances: Mr. Joseph A. Gaines, Legal Department, United States Shipping Board; Rear Admiral David W. Taylor, Chief, Bureau of Construction and Repair, United States Navy; Mr. David Arnott, deputy chief surveyor, American Bureau of Shipping; Prof. George R. McDermott, professor of naval architecture, Cornell University; Prof. Herbert C. Sadler, professor of marine architecture and naval engineering, University of Michigan; Mr. Fred L. Leckie, Cleveland, Ohio, representing the Great Lakes Sand & Gravel Producers' Association; Capt. R. W. England, Cleveland, Ohio, representing the Lake Carriers' Association; Mr. Harvey D. Goulder, Cleveland, Ohio, representing the Lake Carriers' Association, and Mr. Fields S. Pendleton, New York, N. Y., president of the Atlantic Carriers' Association.

Mr. EDMONDS. Gentlemen, pending the arrival of Admiral Taylor, Mr. Gaines, of the Shipping Board, is going to give his deductions in regard to this load-line bill. If there is no objection, we will have him proceed and then we will follow with Admiral Taylor and the committee from New York, followed by Mr. Leckie and Mr. Pendleton and the other gentleman who wants to speak, and then I think we can wind up the hearings.

Mr. Gaines, we will now hear you.

STATEMENT OF MR. JOSEPH H. GAINES, ATTORNEY FOR THE SHIPPING BOARD, WASHINGTON, D. C.

Mr. GAINES. Mr. Chairman, the act of Congress, as you know, directs the Shipping Board to endeavor to carry out the expressed will of Congress, which is the establishment of a privately owned mercantile marine sufficient to carry the bulk of American commerce, and to be a military or naval auxiliary in time of war and national emergency, and the Shipping Board is directed in the adoption of regulations and in the administration of the law to keep that purpose in view as a primary object.

Mr. EDMONDS. They have no idea of another war at present, have they?

Mr. GAINES. Personally, I am not anticipating one.

Mr. EDMONDS. They are not hoping for one, are they?

Mr. GAINES. Being a peaceful man, I am hoping there will not be one and am not looking for one.

I am, however, looking to the exceedingly great difficulty of the problem confronting the Shipping Board. I know, as well as others, that prior to the war there was practically no American merchant marine. How it can now be established and in the hands of privately owned American ships is the problem that seems to me the great one, and the one that every person connected with the Shipping Board should keep first in mind.

My position, therefore, would be leaving to the private shipowners of the country the question of whether there should be load-line legislation, that there should, in no event, be load-line legislation making more drastic requirements of American shipowners than the foreign loadline legislation makes of foreign shipowners. Contrasting, therefore, which I wish to do, the proposed bill with the English act and with the Japanese act, a copy of which has just come to us, I wish to call attention first to the fact that the proposed bill applies to cargo-carrying vessels of the United States loading at any port or place within the United States. That is subsection A of the first paragraph of the bill.

Subsection B applies the law to the cargo-carrying vessels of the United States described in the act loading at any foreign port or place for a voyage by sea.

Now, the English act, in section 438 of that act, in paragraph 1, limits the act to every British ship proceeding to sea in a port of the United Kingdom. The United Kingdom does not apply to the ports under English jurisdiction anywhere in the world except in England and Scotland, possibly Ireland; it certainly does not apply to any of the British colonial dependencies; it does not apply to Canada or Australia or New Zealand.

Mr. EDMONDS. The Governments of India, the Strait Settlements, Victoria, and South Australia have accepted the English load-line law and requirements. This book is a little old now and I do not know whether South Africa and the other English colonies have or not. I presume not.

Mr. GAINES. Canada has not.

Mr. EDMONDS. No; Canada has not.

Mr. GAINES. I could put in the record the letter of the proper Canadian authorities showing that fact, but I take it it will be put in by others. Possibly I had better read at this point the Canadian statement. I read an extract from a letter from the minister of marine for Canada.

Mr. GOULDER. What is the date of that, please?

Mr. GAINES. The date is January 21, 1921.

> With regard to the regulations of Canada respecting the placing of a load water-mark line on ships sailing under the Canadian flag, I have to advise that there is no such regulation in force here, and we do not require Canadian ships to carry any marks corresponding to the Plimsoll marks.

The British law, therefore, applies only, by its own terms, to ships proceeding to sea from a port in the United Kingdom; and while I take it that ships having proceeded to sea from a port in the United Kingdom would have upon them the load line required by the English law, yet I feel quite confident that it would not be a violation of the English law if such ships, having proceeded to sea from an English port, were thereafter so loaded from any other port as to submerge the load-line marks.

Then, again, the penalties in the proposed bill, H. R. 3708, are much more drastic than those contained in the English law.

The English law provides a penalty of not to exceed £100 for a violation of several provisions of the act, including the main provision, that a ship shall not proceed to sea from a port in the United Kingdom loaded more deeply than the load line.

I am not a practical ship man, but I am told that the resultant freight from loading only a few inches deeper than the load line would result in a profit to the owner of very much more than £100, which is a little bit less, as we all know, than $500.

The proposed act, for the corresponding violations referred to in the English act, provides that the punishment for permitting an American ship to proceed from an American port, or any other port anywhere, with its load line submerged, is a fine not to exceed $1,000 or imprisonment not to exceed one year, or both. Neither the English nor the Japanese law is drastic enough to propose imprisonment as a penalty for the violation of those laws.

Not being a shipping man, and therefore looking at the act exclusively as a lawyer would look at it, it at once occurred to me that so mild a penalty, especially in view of phrases used in connection with those portions of the English law which fix the punishment, would suggest not only a mild penalty but even elasticity in the administration of the law.

In the proposed American law it is a violation to proceed from a port, as I read it, with the load line submerged. The British law says that if any owner or master of a British ship fails, "without reasonable cause," to cause his ship to be marked or to proceed from a port in the United Kingdom, etc., he shall be guilty and fined not to exceed £100.

The phrase, "without reasonable cause" would challenge the attention of a lawyer at once. I have been informed—I do not know how true it is and I suppose such things can only be a matter of opinion and belief rather than absolute knowledge—that reasonable cause is, amongst other things, American competition, and that as a matter of fact, there is the power and there is sometimes exercised the power to permit the ship to go to sea, even from a port of the United Kingdom, the only ports to which the law applies, with the load line submerged.

As I read our proposed bill, it provides that the ship is to be detained if the load line is submerged, but the British law says that such submersion shall be "reasonable and probable cause for the detention of the ship."

These parts of the British law to which I have made reference, I think, would suggest to anyone, I repeat, not only the mildness of the penalty but probable elasticity, and the exercise of business judgment on the part of somebody as to whether the English law in a particular case is or is not to be operative even upon British ships leaving a port of the United Kingdom.

The Japanese law, whether it is so intended or not, suggests governmental discretion in the enforcement of the law even more than the English law suggests that. For instance, article 2 of the Japanese act says:

> Except in cases specially provided for by the competent minister of state a vessel shall have her load line assigned and marked when she is proceeding to sea for the first time as a vessel required to have a load line under this law.

What considerations would move the competent minister of state specially to provide that the vessel should not have its load line marked, we, of course, have no way of knowing.

Article 3 says:

> Except in cases specially provided for by the competent minister of state, the load line shall be assigned by the local marine authorities having jurisdiction over the place where she is.

Article 5 says:

> Except in cases specially provided for by the competent minister of state, a vessel for which the load line has been marked under this law shall not proceed to sea with a draft submerging that load line.

And I carry through all these provisions which I am reading the same suggestion that I do not know, of course, under what conditions or for what reasons the competent minister of state would provide an exception to the law.

Mr. GAHN. Under the clause preceding the last one you read, might there not be a different load line on the same class of ships in different ports?

Mr. GAINES. It would seem to me that under the provisions in article 3 the competent minister of state might even provide specially that different rules should obtain at different ports. The language, I repeat, is "except in cases specially provided for by the competent minister of state the load line shall be assigned by the local marine authorities having jurisdiction over the place where she is."

They might assign some different authority in special cases with instructions to modify the rule.

Mr. EDMONDS. The only real thing in that law is what they do to foreign ships when they go to Japan. They can not change that.

Mr. GAINES. Yes; I will come to that in a moment; otherwise I should like to have my attention called to it.

My point is that one is bound to question at once the persistent recurrence of this limitation upon the enforcement of their law, and even upon the requirements of their law; the constant reappearance of this phrase, "except in cases specially provided for by the competent minister of State." Such reservations and exceptions in a statute which sounds in restrictions upon the right to load vessels

below a particular line are bound to put one on notice that they had something in mind when they continuously repeated that phrase.

Now, of course, I do not know what it means, and I do not suppose anybody else, except the persons who sat around the committee room somewhere in Japan and determined upon the terms of their law, would know, but it must have meant something, and we all know that legislative bodies in passing acts, the violation of the provisions of which may result in a fine, do not put in those limiting clauses unless they had definitely in mind some purpose.

Surely such phrases make the law much more difficult of enforcement. If, for instance, we had a law in the United States of that character, with those reservations, a United States district attorney—and I once was one—would be uncertain when he heard of a violation. When it was reported to him by somebody that the law was being violated, he would be uncertain, as a matter of fact, whether it was a violation.

He could not read the statute and compare the act with the law and make up his mind whether the matter ought to be brought to the attention, in this country, of a grand jury or not. He would have to confer with various Government agencies to find out whether the particular case was one where the governmental authorities desired an enforcement of the law or had made an exception. Such a law would not direct the prosecuting attorney in this country, the United States district attorney, to proceed to its enforcement, but would put him upon notice that he must find out from some higher authority whether he was expected in that case to bow to some regulation or some particular instruction of a superior authority.

Mr. EDMONDS. From the way you put it, Mr. Gaines, I would say that both England and Japan have passed these laws with the idea of covering foreign vessels and letting their own vessels go as they please; that is, as those Governments pleased and not as the vessels pleased, of course.

Mr. GAINES. Mr. Chairman, I will respond—not answer that, but respond to that in this way: I have heard that very thing, but if you would care to know how it impresses me, I would say that it impresses me in this way, that they felt that something of the sort ought to be done, but that they were not going to do it in any such way as to run any risk whatever of subjecting their shipowners to a disadvantage in competition, even in their own ports. That is the way it impresses me, that they were feeling their way very gradually and did not think they ought to go very far, because they have not gone very far.

Mr. LAZARO. Right in that connection, if you take into consideration the question of discretion which you mentioned in the English law and the low penalty, is it not a fact that a selfish man could very easily go right ahead just the same as if there were no restrictions, and in that way have an advantage over, for instance, an American ship which would be loading over there?

Mr. GAINES. It seems to me unquestionably that is so. The only penalty, I repeat, and the extreme penalty, under the English law is a mere fine of less than $500 of American money, and there are men here in this room who know much better than I do whether it would be easy to make more than that by disregarding the law and loading the vessel more deeply than was permitted under the law.

Mr. GIBBS. May I ask Mr. Gaines a question?

Mr. EDMONDS. Yes; if Mr. Gaines has no objection.

Mr. GAINES. I have no objection.

Mr. GIBBS. Is it not a fact that under the British law, as it now exists, while there is a penalty, as you say, of about £100, that there is also a means provided to prevent the ship going to sea. In other words, if a ship is loaded beyond her markings in a British port, any member of the crew, not the captain or any other vessel, but any member of the crew or anybody else that sees that can report that fact to the board of trade surveyor, and the ship is prevented from going to sea, so that the possibility of spending £100 in a fine does not give you the right to proceed to sea. You would be fined £100, but your ship would be prevented from sailing or the cargo would be removed, or the situation rectified before you could sail.

Mr. GAINES. When you say a British port, Mr. Gibbs, what do you mean?

Mr. GIBBS. I think that applies, in large measure, to practically all ports to which British ships trade exclusive of Canada, for this reason——

Mr. GAINES. The law does not say, if I may interpose—you are asking me about the provisions of the English law, and I wish you would frame your question so as to conform the question to the British law. The British law says, "proceeding from a port of the United Kingdom." What is the United Kingdom, Mr. Gibbs? I ask that for information, because I am not sure whether that includes Ireland or not.

Mr. GIBBS. That is the group of islands north of the English Channel.

Mr. GAINES. Then, it includes Ireland.

Mr. GIBBS. I look at the matter in this way: You can not, Mr. Gaines, when you are discussing a particular British act, discuss that act covering load lines to the exclusion of any other British acts that affect the load lines, obviously, and if there were two laws and you are discussing one of them, you can not discuss that one law without considering the effect of the other law. Now, the fact is that there are several laws bearing on this subject.

Mr. GAINES. Have you a copy of the other law or are you just reciting it from memory?

Mr. GIBBS. No; I have no copy of the other law for this reason: Look at the situation in France, in Germany, in certain of the British dominions, India, the Straits Settlements, and Australia; this British law is given full faith and credit there, so that the result of all of it is that taking all of those laws in conjunction, a British ship can not sail with her load lines immersed, and if an attempt is made to sail, any member of the crew can stop it.

Mr. GAINES. Now, will you give me specifically just what Mr. Gibbs's question is?

Mr. LAZARO. Will you permit me to ask the gentleman who just spoke a question?

Mr. EDMONDS. Yes.

Mr. LAZARO. What I want to ask you is this: Do you think it would be a good idea for us at this time, when we are trying to build up an American merchant marine and when there is so much competition, to pass a law that would apply to our ships here and abroad, when England has a law that applies to her ships in the United Kingdom and not outside?

Mr. GIBBS. I think we would be sound——

Mr. LAZARO (interposing). Would not that give them an advantage over us?

Mr. GIBBS. I think we would be sound in passing a law that puts us on all fours with the British.

Mr. LAZARO. But this one would not do that.

Mr. GIBBS. Yes; it would. This gives the British no advantage and it gives us no advantage. It simply puts us on a parity.

Mr. LAZARO. This bill applies to American ships everywhere, does it not?

Mr. GIBBS. I agree with that, and the British law practically does that same thing; that is, the British law and the acts of the dominions and the acts of the foreign countries which govern.

Mr. LAZARO. No; it does not apply to English ships outside of the United Kingdom.

Mr. GIBBS. They do, indeed. That is just the point. You can not go into a French port and sail with a lower load line than you can sail from a British port.

Mr. LAZARO. Then there is a difference of opinion between you.

Mr. GAINES. How do you arrive at that conclusion?

Mr. GIBBS. Because the French have a load-line act.

Mr. GAINES. Yes; but you said the British act did that.

Mr. LAZARO. I was speaking of the British act.

Mr. GAINES. You were asked about the British act.

Mr. GIBBS. I quite agree with you and I say that when we talk about putting the Americans on a parity with the British you have to consider all the acts governing the British, whether it be a British act or a foreign act that governs them.

Mr. EDMONDS. I would like to say, Mr. Gaines, that when you are talking about the United Kingdom it would be well to include the other three Governments, because they are virtually accepted the same as the English law when they pass a local law.

Mr. GAINES. Yes; I have no doubt of that.

Mr. EDMONDS. There is another thing I want to call your attention to, and that is that acceptance by a foreign country virtually makes an international arrangemnt, and the British board of trade have accepted the load line of France, Germany, Holland, and Sweden as equivalent to her own, and in that way there is virtually an international arrangement between those countries, and naturally, the vessels of those countries must leave their ports subject to those load lines. Of course, that does not apply to South America and would not apply in the South American trade, because they have no such regulation as to overloading.

Mr. LAZARO. Mr. Chairman, I would like to put my question in another way. We spoke yesterday of the different nations reciprocating. Does not the fact that the British law which applies to only British ships in the United Kingdom and this proposed law which applies to American ships everywhere place the United States at a disadvantage in reciprocating, and was not that the view of the British when they left their ships free in foreign ports; so that they would be in a better position to reciprocate with other nations.

Mr. GAINES. It would seem so to me very clearly, and if we pass a much more drastic law than any other nation, we are in no position to reciprocate with any of them, and I have been a little confused

because I can not see why so clear-headed a gentleman as Mr. Gibbs can regard this law as no more drastic than the British law.

I hate to repeat, but it seems necessary to repeat that the British law does not provide that the vessel shall be detained. Its provision is that the proceeding, even from a port of the United Kingdom, without a load line or loaded below the load line, shall be—and I am now reading from the act—"reasonable and probable cause for the detention of the ship."

Mr. EDMONDS. Have you any idea, Mr. Gaines, as to what a ship's position would be in regard to its insurance if it left a port of the United Kingdom with a permit from the authorities to be loaded heavier than her load line?

Mr. GAINES. My idea would be that the insurance companies would take that into consideration in the rate of insurance. That would be one of the elements considered in determining, first, whether they would take the risk, and, second, at what rate they would take the risk.

Mr. EDMONDS. Now, what would be the position of an English boat with a load line that was doing some freight work between ports that had no load line; what would be the position in the collection of insurance in that case where the boat was overloaded?

Mr. GAINES. I am not a marine insurance lawyer, but my idea would be that it would be a question of fact as to whether the loss was due to overloading or not, and I should think that if the facts indicated that the vessel or some part of the cargo was lost because of the overloading, that the fact that it was loaded below the load line would place the burden of explaining that——

Mr. EDMONDS. You mean loaded over the load line.

Mr. GAINES. Yes; over.

Mr. EDMONDS. You said below.

Mr. GAINES. That would be a fact which the plaintiff seeking to recover the insurance would have to explain.

Mr. GAHN. Does the section of the British law which provides that it shall be reasonable cause for detention if a vessel does not have a load line or if its load line is submerged apply only to British vessels or to foreign vessels as well.

Mr. GAINES. I can not find that just now, but I will answer that question in this way, subject to correction when I read the law again on that particular point: My impression is it would apply to foreign vessels as well. Whether there would be the same disposition to grant such leeway to a foreign vessel is more than I know.

Mr. GAHN. That is the point. The British enforcing officer might discriminate in favor of the British vessel.

Mr. EDMONDS. The Japanese law plainly discriminates against the foreign vessel because it does not give the minister any power to let a foreign vessel go without a load line mark or loaded lower than the load line mark. That is unquestionably true under the Japanese law. That is very plainly stated. The British law is a little bit more complicated.

Mr. GAINES. Now, there is a section 5 of the British act which I recur to in this connection, because the questions have directed my attention to it.

Section 5 of the British act provides:

> When a ship to which this section applies has been marked with a disk indicating the load line, she shall be kept so marked, or, if the mark has been altered abroad in accordance with regulations made by the board of trade for the purpose, marked with the mark as so altered, until her next return to a port of discharge in the United Kingdom.

Certainly that provision contemplates that the board of trade may and will make regulations permitting British vessels to proceed under marks different from those prescribed by the act for a British ship leaving a port of the United Kingdom, or even possibly, with no marks at all.

Mr. EDMONDS. The power of making the markings in the British law is entirely with the board of trade, and they can locate the marks wherever they please. Under section 443 the board of trade shall appoint the committee of Lloyds' register of British and foreign shipping, or, at the option of the owner of the ship, any other corporation or association, for the survey or registry of shipping approved by the board of trade, or any officer of the board of trade specially selected by the board for that purpose, to approve and certify on their behalf from time to time the position of any disk indicating the load line and any alteration thereof, and may appoint fees to be taken in respect of any such approval of certificate.

So that it is a matter that is entirely with the board of trade.

Mr. GAINES. Yes, Mr. Chairman; but the point to which I was calling attention was this, that the same board of trade through whose agency the load line is fixed in order that the vessel may depart from a British port is plainly authorized by the act to require different marks by regulation, or no mark at all, in other ports than the United Kingdom.

Mr. EDMONDS. They can change them whenever they want in any way at all?

Mr. GAINES. Yes.

Mr. EDMONDS. That is in keeping with most of the British laws.

Mr. GAINES. My point is that the act itself shows that they contemplated having one mark for British ports and possibly other and different marks for other ports.

Mr. EDMONDS. We endeavored to give the Shipping Board all such power when we passed the bill for the Shipping Board to take the place of the English board of trade, but you folks have seemed to have forgotten that. We hope some day you will utilize the power you have for taking the place of the British board of trade in American shipping instead of trying to operate ships yourselves.

Mr. GAINES. Like the members of the Shipping Board themselves, I am new, but I can certainly promise you that, so far as I am concerned, if I can help in any of those matters I certainly wish to do it.

Mr. EDMONDS. We have great hopes for the new board. The old board seemed to forget the regulatory powers that were lodged with them. We originally passed that bill with the idea that we needed something in this country to correspond with the British board of trade and thought we could build up our shipping in that way. Unfortunately, the war came on, and I presume the opportunity has not been there since; but if they will once take hold of the liberal laws we have given them and act under them, I have an idea we will see a different situation in regard to shipping. No commission of

this Government ever had such liberal laws as were conferred under the shipping act.

Mr. GAINES. Well, Mr. Chairman, I think I am authorized to say that they hope very rapidly to grow in the exercise of their powers, and we will endeavor at least to exercise them in such manner as to meet the approval of Congress.

Mr. EDMONDS. If they will exercise the powers we have given them they will find out very quickly that that will meet with our approval.

Mr. GAINES. Article 12 of the Japanese law affixes a penalty of not less than 100 yen and not exceeding 2,000 yen if a vessel is employed at sea without a load-line certificate or proceeds or attempts to proceed to sea with her load-line marks submerged; and, again, puts in the exception, "except in cases specially provided for by the competent minister of State."

I understand that a yen in normal times is about 39.8 cents, and at the present time a little over 27 cents in our money. That would mean a penalty of from $60 to $600, if that is the proper calculation, and subject to the very important exception, which I have perhaps too often repeated, which runs through this entire law, there being, as I believe, and as the chairman has correctly stated, no such exception in the case of a foreign vessel violating the law.

Mr. EDMONDS. Right at that point, do you not think we ought to pass some kind of a law in order to get away from these foreign interferences and make it as lenient as we please as far as our own ships are concerned, but require them to recognize our law just as we recognize theirs, and thereby prevent this trouble and bother with the ships.

Mr. GAINES. Mr. Chairman, I will say very frankly that while I would prefer to leave that question to the owners of private ships, my own personal opinion would be that we would not suffer if our laws were as lenient in their penalties and as flexible in their administration as the foreign laws.

Mr. EDMONDS. Do you not think we would benefit if we had something of that nature?

Mr. GAINES. I wish I had enough shipping experience to have an opinion worth something to the committee on a question about which these practical shipowners and insurance men are so widely separated. I can go no further than to say that I certainly do not think, for instance, that the danger of imprisonment should confront American shipowners for acts to which they may be driven by the necessity of competition, when foreign shipowners, at the worst, would have affixed upon them a small fine, probably very much less than the additional freight money.

Mr. EDMONDS. You think we need all of our American shipowners out of jail at the present time.

Mr. GAINES. I think if we have energetic American shipowners, they certainly ought to remain out of jail, and I have a sort of general feeling which impresses me very much, that our American business men, with lots of faults, are not a bit worse than any other business men of the world. I have not any feeling against England. I think if I were not an American I would wish to be an Englishman. I do not know, but nevertheless, I have great respect for them and I would even imitate them. I would take as good care of the interests of

America in competition with them as they take care of Great Britain and the British Empire against all the world, including us.

Mr. EDMONDS. Would you not rather be a citizen of the great Republic of Ireland?

Mr. GAINES. No, sir; I think if I were not an American I would prefer to be an Englishman. I do not know where I come from. I do not think I have any ancestors for at least 150 years who were not born in the United States, and I am glad I do not know where they came from. I am just straight United States.

Mr. EDMONDS. You and Mr. Pendleton can have a mutual-admiration society after awhile on your many years in this country.

Mr. GAINES. Well, I do not know where I belong except America.

Mr. GAHN. Mr. Gaines, I do not know whether it is a fair question or not, but what is your personal opinion as to the necessity for the agitation at this time for an American load-line law?

Mr. GAINES. I have just endeavored to make that clear. I have not sufficient experience to settle this question about which shipowners and insurance people and other shipping people seem to be so widely divergent as to whether any law is needed or not. I would rather confine my statement to the very urgent request that if we have a law it shall be no more drastic in its terms, and shall be as flexible in its operation and administration, as the foreign laws.

I think that is all, Mr. Chairman, unless some one desires to ask me some further questions.

Mr. EDMONDS. Are the members of the technical committee ready to go on now?

Admiral TAYLOR. Yes, sir.

STATEMENT OF REAR ADMIRAL DAVID W. TAYLOR, CHIEF OF THE BUREAU OF CONSTRUCTION AND REPAIR, UNITED STATES NAVY.

Mr. EDMONDS. Admiral, give your full name and title, please.

Admiral TAYLOR. David W. Taylor, rear admiral, Construction Corps, United States Navy. Mr. Chairman, we represent the committee on freeboard which was appointed by the Secretary of Commerce before the war.

Mr. EDMONDS. Admiral, will you give the names of your subcommittees?

Admiral TAYLOR. I would like to put in the hearing and read the names of the full committee. This committee at present consists of—

Rear Admiral D. W. Taylor (C. C.), United States Navy, chairman.

Prof. H. C. Sadler, University of Michigan, Ann Arbor, Mich.

W. A. Dobson, care of William Cramp & Sons Ship & Engine Building Co., Philadelphia, Pa.

J. W. Powell, Quincy, Mass.

Alfred Gilbert Smith, president New York & Cuba Mail Steamship Co., foot of Wall Street, New York.

Stevenson Taylor, care of American Bureau of Shipping, 66 Beaver Street, New York.

D. Arnott, deputy chief surveyor, American Bureau of Shipping, 66 Beaver Street, New York.

O. J. Olson, Fife Building, San Francisco, Calif.

Hendon Chubb, 3 South William Street, New York.
W. A. Gibbs, care of International Mercantile Marine Co., 9 Broadway, New York.
Prof. George R. McDermott, professor of naval architecture, Cornell University.
W. Gatewood, care of Newport News Shipbuilding & Dry Dock Co., Newport News, Va.
H. H. Raymond, president Clyde Steamship Co., Pier 36, North River, New York.
H. N. Herriman, care of American Bureau of Shipping, 862 Kirby Building, Cleveland, Ohio.
Walter Wood Parsons, care of Atlantic Mutual Insurance Co., 49 Wall Street, New York.
Prof. W. F. Durand, Stanford University, California.
T. M. Cornbrooks, secretary and treasurer, care of New York Shipbuilding Corporation, Camden, N. J.

That committee, Mr. Chairman, has representatives of the shipowners and operators, of the insurance societies of the country, of the principal classification society in the United States, and practically the only one of any size, and of the ship builders as represented by their naval architects.

We have here to-day representatives of all the elements of the committee except the insurance people. I think you have heard from them already.

The members of the committee present to-day in addition to the chairman are Prof. Sadler, Mr. Arnott, Mr. Gibbs, Prof. McDermott, Mr. Gatewood, Mr. Herriman, and the chairman. The chairman is neutral as regards this particular element of the matter or an innocent bystander, I do not know which. We are here at the request of the Secretary of Commerce to give such information as you gentlemen wish as regards the work of our committee and what we have accomplished.

Mr. GAHN. May I ask under what authority was this committee constituted?

Admiral TAYLOR. This committee had its growth from a meeting—I speak with some hesitation about this, because it is only recently that I have been on the committee. It is something less than a year that I have been chairman of the committee.

Mr. Stevenson Taylor was chairman of the committee until last year. A conference was called by the Secretary of Commerce some time before the war with a view to considering questions of the safety of life at sea primarily, and questions of the bulkheads and load lines, and the committee was appointed at that time. That conference was held in September, 1916, but owing to the war, the committee did practically nothing during the war, and it has only been in the last 18 months that it has gotten busy with a view to reporting to the Secretary of Commerce what it regards as proper load-line regulations.

It was the primary function of the committee to advise the Secretary of Commerce as to what they believed was proper load-line regulations, and during their investigation it has developed that we believe that this country should be prepared to take part in an international conference on load-line regulations which had originally been called for 1915, I believe, in Great Britain, but which was postponed on account of the war

Mr. GAHN. Did your committee draft this bill?

Admiral TAYLOR. No, sir; our committee is not a legislative committee. It is a technical committee.

Mr. EDMONDS. Go ahead, Admiral, and give the names of your subcommittees also.

Admiral TAYLOR. I have already mentioned the names of the gentlemen who are here. I might say very briefly, Mr. Chairman, that about 18 months ago this committee organized three subcommittees, one on the Pacific coast headed by Prof. Durand, one for the Great Lakes headed by Mr. Sadler, and one for the Atlantic and Gulf headed by Prof. McDermott. Those subcommittees have done the technical investigation and consideration. They have made their reports from time to time to the full committee, and we have just finished a 3-day meeting in New York with the idea that we are probably approaching the end of our work and will be prepared to make a report to the Secretary of Commerce at an early date.

Mr. EDMONDS. Have you not yet made that report?

Admiral TAYLOR. No, sir.

Mr. EDMONDS. Then go ahead and give us as much of your report as you can or give us your views of the situation as it stands to-day. You think that report will be in shortly?

Admiral TAYLOR. Yes, sir. The feeling of our committee, Mr. Chairman, is this: I think every man on it, representing these diverse interests, is in favor of some action looking to load-line regulation by the United States. The situation as it stands to-day is that the load-line regulation of the world, such as it is, is virtually controlled by the British Board of Trade. The present British rules have been criticized and the British appointed a committee some years ago, which has made an elaborate report, suggesting changes in it. The report was prepared primarily for the international conference which I spoke of.

The feeling of our committee, in brief, is, as regards the rules, that the present British rules should be used as a basis, with modifications, in order to meet the American requirements in some respects.

Mr. EDMONDS. Your committee then thinks that this bill is too stiff in its requirements, as it stands at the present time?

Admiral TAYLOR. You are now speaking of administrative matters and legislative matters, and not of technical matters. I am speaking of technical matters.

Mr. EDMONDS. In other words, you agree with Mr. Gaines that we ought to keep as near as we can in line with the English law and the Japanese law, and that our law should be as lenient as theirs?

Admiral TAYLOR. I prefer not to express an opinion in regard to the law, but we feel as to regulations establishing the position of load-line markings and things of that kind, that any material departure from them at present would not be advisable. There are several reasons for that. As you are aware, we have at present a kind of quasi agreement with the British authorities by which they recognize the load line as placed by the American Bureau of Shipping; but those load lines as placed virtually correspond to the British Board of Trade rules. We have no Government authority behind our bureau which would back them up in making any departure, and the result is, I believe, that the statement was made yesterday that certainly a very large proportion of the American ships that

have any load lines have absolutely the British Board of Trade lines. That applies to all the American Shipping Board ships, for instance, and it applies to a large number of other vessels. That naturally arises from the fact that the lines placed by the American Bureau of Shipping, which work very close to the British International Corporation, naturally correspond with the standard rules, we having no separate rules of our own.

Mr. EDMONDS. Have the British accepted those markings?

Admiral TAYLOR. Temporarily.

Mr. EDMONDS. Without any question?

Admiral TAYLOR. Temporarily. I understand that it is only a kind of "gentlemen's agreement" that the British will accept them temporarily pending legislation in this country.

Mr. EDMONDS. Did you have any report of any difficulties in any other country?

Admiral TAYLOR. No, sir.

Mr. EDMONDS. Has there been any in Japan since that law was passed?

Admiral TAYLOR. Our committee would have no knowledge of that. I think probably the Commissioner of Navigation could tell you about that. I do not know whether any member of the committe has any knowledge on such matters or not. The Japanese law, I am advised, is not yet in effect.

Mr. EDMONDS. Let me ask Mr. Chamberlain that question. Have you had any trouble in any other country in regard to load lines? Have they made any complaints or anything of that sort?

Mr. CHAMBERLAIN. Not yet.

Mr. EDMONDS. Have you had any such complaints from Norway or France or any of those countries?

Mr. CHAMBERLAIN. Not yet. You understand we have not had very many ships going in there yet.

Admiral TAYLOR. The Japanese law is not yet in operation.

Mr. CHAMBERLAIN. Almost all the ships that go across, as I understand it, have been marked with the British load lines, which correspond to the requirements of these other countries. At all events, there have no such cases arisen that I know of.

Mr. EDMONDS. Do they accept your marks then?

Mr. CHAMBERLAIN. They have not protested.

Mr. EDMONDS. You have had no protests at all?

Mr. CHAMBERLAIN. No.

Mr. EDMONDS. Go ahead, Admiral.

Admiral TAYLOR. As regards the immediate application of rules, Mr. Chairman, our committee feels that the present British rules, although substantially applicable to most of the American shipping, do not satisfactorily cover some points. I am speaking now of the present British rules and not of the report which was prepared for the international conference.

In the first place, the present British rules allow a deeper draft in the Indian Ocean in summer. That is a portion of the world north of the Equator and south of Asia. It is indicated on this map [indicating].

A very careful investigation has been made by our Pacific coast subcommittee and other subcommittees of the weather conditions over all the oceans as indicated by the pilot charts published by our Navy Department, and they show, as was to be expected, that the weather, broadly speaking, is calmest at the Equator where the stormy days vary from zero to 2 per cent, perhaps, and as you go north the weather as measured by the number of days where the wind has a force of 8 or more; that is, a storm force, steadily increases, the percentage rising as high in the winter in the North Atlantic and in the North Pacific as 20 per cent stormy days. Our committee feels that under the circumstances there should be similar provisions made for other portions of the world where the conditions are substantially the same as in the Indian Ocean.

A belt at the Equator 15° on either side is subject to very little stormy weather, and the storms that do come are restricted to certain seasons of the year, as in the Indian Ocean, and we feel that should be one departure.

We also would recommend or expect to recommend another departure from the British rules which is automatic, almost. The British rules at present do not deal with the question of the strength of ships. They require the strength to be determined by the scantlings given by the classification society, and the classification society mentioned in the British rules is Lloyd's, and we feel that the classification society which should be mentioned in the American rules should be the American Classification Society. There is practically no difference between the two.

Mr. EDMONDS. Would that have any effect on the registry of the ship at all; would they be required to register with the American bureau absolutely?

Admiral TAYLOR. No, sir.

Mr. EDMONDS. In order to get this?

Admiral TAYLOR. No, sir. They would be required to comply with the strength requirements of the American Bureau of Shipping, or the equivalent. I think there is a provision in that bill which deals with that—the Secretary of Commerce may accept any society which the owners wish.

Mr. EDMONDS. What would be the action of the American bureau, then, on its own mark on those ships?

Admiral TAYLOR. The American bureau already has—I am speaking of standard of strength, thickness of the plating, and all that sort of thing—the American bureau has complete rules equivalent to those required by Lloyd's Classification Society.

Mr. EDMONDS. Suppose a ship was registered in Lloyd's bureau and she had to get our mark on from the American bureau, would she have to undergo another survey over here in order to get that?

Admiral TAYLOR. No, sir; if she were classed in Lloyd's that would be equivalent to the standard of strength the American Bureau of Shipping requires. On the question of strength, I would like to explain there that heretofore the British rules particularly have not dealt directly with the question of strength. The British Board of Trade simply required that the strength should be according to Lloyd's standard. But the latest report of the British does include in the rules the standard of strength. That is an important matter, as regards freeboard; because from the point of view of freeboard there are three main ways in which the ship may be lost.

She may be overloaded, so that she is stressed—the stress on her is more than she can stand and she may fail structurally; or she may be so low in the water that she is swept by the seas more or less, and sooner or later sufficient damage will be done for the water to find its way below and the ship will be lost and men will be lost; or she may capsize—the range of the stability of the ship being very intimately associated with the freeboard. So that the question of strength has an important effect in the matter, and our committee believes that if that matter is taken up internationally there should be some international standard of strength established and incorporated in the regulations; but at present, in view of the present practices, no nation incorporates a standard of strength in the regulations, and we do not believe it is advisable for the United States to undertake that independently of other nations.

Mr. GAHN. Would it be of any avail then to have a load-line law on our statute books until they have the uniform strength regulations internationally?

Admiral TAYLOR. We think it would be desirable to have those matters settled internationally and to have the regulations virtually uniform the world over; but we have not felt it was advisable for the United States, which was very backward in all of this legislation, to undertake that step now, independently, as that was all a matter of the regulations to be established by the Secretary of Commerce and is provided for in your bill, I believe.

Mr. EDMONDS. Have you any suggestions to make in regard to the present bill at all, or are you only talking from a technical standpoint?

Admiral TAYLOR. We are talking primarily from the technical standpoint, but I am correct in stating that this committee, whose names I have read to you, are all in favor, I understand, of some legislation. It was not our function to consider legislation, but I believe that every last man is in favor of legislation and, as soon as possible, regulation at least of overseas commerce. I wish you would ask some of the other members of the committee, Mr. Chairman, who are perhaps more familiar with it, on the details, also.

Mr. EDMONDS. You did not prepare any amendments or suggestion for changes in the bill?

Admiral TAYLOR. No, sir. Our purpose is to give such information as we can and to answer such questions as may be propounded, and we appear at the request of the Secretary of Commerce. As a committee, we are not as much interested in the bill as we are in the regulations which we presume would be established under the bill.

Mr. EDMONDS. You heard Mr. Gaines's talk this morning in regard to the Shipping Board's position. Of course, they are the largest shipowners in the country to-day, and they suggest making this bill something on the same order as the English and Japanese bills. You have not thought of that at all in your committee, have you?

Admiral TAYLOR. No, sir; except we are aware the that British regulations do have the provision which I believe is in this bill, too, which virtually forces all countries to come to a common basis; or which, if it were applied in a cutthroat way, would result in four or five or perhaps six or eight different load lines to conform to the regulations in different countries. It seems to me, Mr. Chairman, speaking for myself, that all these matters should be, as nearly as possible, matters of international regulation. Each country will, of course, insist upon the control of its own police powers in that respect, and it will insist that foreign ships sailing out of their ports shall not be favored at the expense of national ships. That is only natural and unavoidable; but if you follow that, that will result, necessarily, in international regulations which are uniform or virtually uniform, and modified only as regards local conditions, instead of each important maritime country having regulations different from the other and enforcing half a dozen different sets of regulations in the commerce of the world, which I think is a most objectionable situation.

Mr. GAHN. From a technical standpoint, the load line is not of so much importance as to see there is some standard of construction and strength in the building of the ship, is it?

Admiral TAYLOR. That is one of the factors of strength. The load line, of course, is of importance in the operation of the ship—there is a limit beyond which you could not go. It is very difficult to say that one load line is safe and a load line within 2 or 3 inches of that is not safe. No one can say that. But there is a reasonable and proper regulation of the matter which should be uniform.

Mr. GAHN. How do you mean, uniform for similar classes of ships or for all ships?

Admiral TAYLOR. It should be uniform for similar classes of ships. The conditions of operation differ the world over and they have usually been covered in the past by having several load lines—the winter and the summer, and the light summer or Indian summer lines of the board of trade. That was due to the fact that the load line should vary according to the weather to be encountered and the conditions to be encountered.

Mr. EDMONDS. You went further than that. You have some idea about other changes in the lines, have you not? I notice on this map here you have a couple of other lines marked out that the British do not recognize to-day.

Admiral TAYLOR. That line which is marked out is the insurance line, as under the insurance policy ships are not allowed to go beyond the line. That is not a matter of the load-line regulations; it is a matter of insurance.

Mr. EDMONDS. If we were to pass some load-line regulations based on the load-line laws of other countries, would you recommend classifying them as they have in the other countries, or would you leave that to the Department of Commerce to make the classification?

Admiral TAYLOR. I think, Mr. Chairman, you will find that should be left with the administrative officer, because if you put too much into the law and attempt to tie a man to details, the first thing you know you will wake up to find conditions have changed; and it is very much easier to accommodate regulations to changed conditions than to change the law. We have some evidence of this in the laws passed some 70 or 80 years ago in regard to steamboat inspection, which have never been changed, and I believe there should be a certain amount of elasticity in any legislation, which would provide for a certain amount of administrative action.

Mr. GAHN. This bill requires that the American bureau or, at the request of the shipowner, any other corporation or association, may survey the ship and fix the load line. In what manner are those load lines fixed? I take it that is a technical part of it.

Admiral TAYLOR. The surveying corporation would be required to fix the load line in accordance with the American regulations. Either

corporation would have to fix the load line in accordance with the American regulations. That simply means that the actual people doing the work may be one of a number of different corporations who are skilled in that work.

Mr. GAHN. What are the American regulations?

Admiral TAYLOR. There are none at present.

Mr. EDMONDS. There will not be any regulations until we pass the law, and then they will make regulations under the law.

Mr. GAHN. How do those other countries do?

Mr. EDMONDS. They do the same thing; they first pass the law and then make the regulations under the law.

Admiral TAYLOR. There is a general law and then the British Board of Trade is authorized to make regulations, and they make regulations showing how the law is to be carried into effect.

Mr. EDMONDS. In other words, you would make the law as broad as possible and the regulations as elastic as possible?

Admiral TAYLOR. I think, Mr. Chairman, that is preferable. If you tie up the law too tight, you might meet present conditions and then three or four years from now the law might be inapplicable.

Mr. EDMONDS. The other fellow might do something and you would not have a law elastic enough to meet it.

Mr. GAHN. This delegates all the powers, then, to the Secretary of Commerce, and whoever he sees fit to call in as advisers, in fixing load lines.

Admiral TAYLOR. He is required to establish regulations. That follows the practice, as I understand it, the world over. Every nation has load-line regulations and some one must draft the regulations.

Mr. GAHN. And there are none in this country?

Admiral TAYLOR. No, sir. I think I am correct in that.

Mr. GAHN. Are there any regulations establishing the manner of fixing the load lines in other countries?

Admiral TAYLOR. Yes, sir.

Mr. EDMONDS. The practice is to pass a law giving certain authorities certain powers.

Admiral TAYLOR. I think every maritime country which has commerce of any importance has such regulations—Germany, Norway, Sweden, Denmark, France, Italy, Spain, and Japan. I believe we are the only country whose commerce is of any importance which has no such regulations at present.

Mr. GAHN. Great Britain has them.

Admiral TAYLOR. Great Britain has had such regulations for 50 years. At first they were very inadequate. Their first load-line bill was passed almost 50 years ago, and it has been reenacted and changed from time to time. Great Britain has very elaborate regulations.

Mr. EDMONDS. It is a very peculiar thing that the advance of the British merchant marine and the decline of the American merchant marine took place about the same time that the British adopted the load line.

Mr. GAHN. The American regulations would possibly follow the regulations of Great Britain, then, would they not?

Admiral TAYLOR. The problem is essentially the same. I presume they would follow them at present very closely. As I say, our committee has come to the conclusion as regards the technical matters there is nothing to be gained at present; but there should be some change as regards the conditions of navigation—the particular line which you would use in a particular ocean, for instance.

Mr. GAHN. Does not the Department of Commerce now follow the British regulations in fixing the carrying capacity of vessels?

Admiral TAYLOR. No, sir; I think not.

Mr. CHAMBERLAIN. We have our own law about the carriage of passengers, and we also have a reciprocal arrangement in regard to inspection of foreign passenger steamships—that is, so far as the steamboat-inspection rules and regulations are concerned, the boilers and all that sort of thing—that when their regulations and laws are substantially the same as ours we accept their certification on condition that they accept ours. And it is in line with that same uniformity of commercial regulation which is one of the bases for the argument for this bill, as Admiral Taylor just indicated a few moments ago.

Mr. GAHN. I have heard that vessels were required to be loaded in accordance with the British regulations. Just what does that mean?

Mr. CHAMBERLAIN. As to cargo?

Mr. GAHN. Yes.

Mr. CHAMBERLAIN. That American vessels load according to British regulations? That is under this temporary arrangement which we have with the British.

Mr. GAHN. That has been the custom for some years, has it not?

Mr. CHAMBERLAIN. Oh, no; that has only been the custom since 1919. There are no laws in regard to the—I think I know what you have in mind, now.

Mr. GAHN. There are no laws, but just a custom?

Mr. CHAMBERLAIN. There may be a custom of that kind. For example, I think American ships carrying wheat out of this country to England do conform, by arrangement of the shippers and underwriters and others, to British regulations in regard to the stowage of the vessel; but that is just a voluntary arrangement and the Government has nothing to do with that whatever.

Mr. GAHN. And the Government inspectors follow those regulations?

Mr. CHAMBERLAIN. They do not have anything to do with it.

Admiral TAYLOR. Speaking of the passenger ships—there are passenger regulations.

Mr. CHAMBERLAIN. Oh, yes.

Admiral TAYLOR. But when it comes to cargo ships and the loading of the ships, my understanding is we have none. The collector of customs is authorized to stop a ship from going to sea if the collector thinks she is not seaworthy, but he has no means of ascertaining whether she is seaworthy.

Mr. EDMONDS. The vessels of all nations are subject to the police regulations of the country whose ports they enter. If a foreign vessel comes to this country, it is subject to our police regulations when it gets inside of the 3-mile limit; if we go to a foreign country, we are subject to their regulations. Therefore, any regulation that would be for the safety of the ship or any regulation that would be for the safety of the passengers on board, or any ordinary regulations, provided they apply them to their ships, they can apply to our ships.

Mr. GAHN. I know; but I have read Government reports where they referred to some British regulations as to the loading of vessels.

Mr. EDMONDS. We have rules and regulations in regard to loading certain commodities, also with which we require foreign vessels to comply.

Mr. CHAMBERLAIN. But those are largely insurance regulations.

Mr. EDMONDS. Possibly so.

Mr. CHAMBERLAIN. We have practically no inspection of foreign cargo at all; they come and go. They are under the seaman's law, of course.

Mr. EDMONDS. How about boiler inspection?

Mr. CHAMBERLAIN. I mean so far as cargo is concerned.

Mr. EDMONDS. Boiler inspection?

Mr. CHAMBERLAIN. No.

Mr. EDMONDS. Seaworthiness?

Mr. CHAMBERLAIN. No.

Admiral TAYLOR. Life-saving appliances are covered. I think no ship is allowed to leave our ports unless it complies with our regulations regarding life-saving appliances, but on this question of the loading of ships, my understanding is we have virtually nothing on the subject.

Mr. CHAMBERLAIN. We have absolutely nothing in any statute or any Government regulation; and any compliance there may be with British regulations is a voluntary arrangement, with a view to saving trouble when they get into foreign ports. That is the idea.

Mr. GAHN. I know there is no law or any statutory regulations, but there is a custom and I have heard that the Government agents, whoever they may be—I thought they were the port inspectors or something like that—follow the British regulations as to the load the boat carries.

Admiral TAYLOR. My understanding is, our collectors of customs are authorized to stop the overloading of ships, but they have no machinery and no method of finding out whether a ship is overloaded.

I think I have nothing more to add, Mr. Chairman, and unless you wish to ask questions, I would like now to have you hear from these other gentlemen.

Mr. EDMONDS. If the members of your committee have anything they desire to say, we would be glad to hear them. Who would you like to speak next?

Admiral TAYLOR. We have Mr. Gibbs.

Mr. EDMONDS. Mr. Gibbs appeared yesterday. You do not want to come on again, do you, Mr. Gibbs?

Mr. GIBBS. No.

Admiral TAYLOR. Then there is Mr. D. Arnott, deputy chief surveyor of the American Bureau of Shipping, who would like to make a statement as to this.

Mr. LECKIE. May I ask Admiral Taylor a few questions for the sake of getting information?

Mr. EDMONDS. Certainly.

Mr. LECKIE. I notice, Admiral, you started out by terming this a freeboard committee.

Admiral TAYLOR. Load-line and bulkhead committee, I believe, will correct it.

Mr. LECKIE. You used the expression freeboard, is what I am coming at. You do figure stresses and strains and loads and all that sort of thing, but the ultimate purpose of it is really to get down to the proposition of freeboard, is it not?

Admiral TAYLOR. That is the way it worked out; yes.

Mr. LECKIE. Yes. Now, for information, the freeboard you alluded to is the distance between the deck and the water, in smooth water, at her lowest place, is it not—the lowest place on the deck as she is loaded?

Admiral TAYLOR. That is what it is if you have a flush-deck boat; but one of the great difficulties of providing freeboard regulations is that vessels differ. You may have vessels with a complete superstructure; you may have vessels where there is no superstructure. All of those matters come in, and we have to give some weight to them in determining the load line.

Mr. LECKIE. But for our purpose, roughly, so that we can get an understanding of it, it is the distance from the deck down to the water, under normal conditions?

Admiral TAYLOR. From the freeboard deck to the water; yes.

STATEMENT OF MR. DAVIN ARNOTT, OF NEW YORK, DEPUTY CHIEF SURVEYOR, AMERICAN BUREAU OF SHIPPING.

Mr. ARNOTT. I happen to have a copy of the Japanese load-line law in reference to Mr. Gaines's statement. Article 5 states:

> Except in cases specially provided for by the competent minister of state, a vessel for which the load line has been marked under this law shall not proceed to sea with a draft submerging that load line.

That has reference to the exceptions under this act. I would suggest, although I do not know what is the intention of the framer of this bill, that the reference to special vessels is to cutters, colliers, and all those auxiliaries—naval vessels, used for naval purposes. I think that is the intention.

Mr. GAINES. How do you arrive at that conclusion or that inference?

Mr. ARNOTT. From my knowledge of what the British and other maritime nations do. Mr. Gaines also raised the question as to where in the act, the British merchant shipping act, the regulations were applied to foreign vessels. I happen to have a copy of it with me, and it is in the extract of British merchant shipping act, amending the original act which was passed, I think, away back in 1890. Section 440 directly applies here to foreign vessels the same regulations that apply to British vessels. The same regulations that apply to British vessels they have got to apply to foreign vessels while in a British port. And I think this also has reference to the exemptions under the British act. It says here:

> *Provided*, That the board of trade may except from the provisions of this section any class of steamships so long as they do not carry cargo.

I think that is the intention. In other words, if the vessel is not intended to carry any cargo the act does not necessarily mean to apply the load line.

Mr. GAHN. May I ask a question? I asked it perhaps in a different form of the Admiral. It appears to me, at least, that your committee is sponsoring a load-line bill to be enacted into law by Congress?

Mr. ARNOTT. Yes, sir.

Mr. GAHN. The Admiral's testimony would seem to indicate that, throughout the other countries and including this country, there is

no standardization for fixing the load lines for vessels and that you are going to have an international conference looking to that end. Now of what avail is a load-line law in the United States until there is a standardization of the fixing of load lines?

Mr. ARNOTT. By instructions of the Shipping Board, all the vessels built for the Emergency Fleet Corporation were assigned load lines, either by the American Bureau of Shipping or by Lloyd's, and the United States Shipping Board instructed at that time that those particular load lines should be assigned according to the freeboard tables at present in force in Great Britain, in the absence of any tables which we had here in this country.

Mr. GAHN. If we enacted this law, then, our officers, the Government officials, would follow the British rule?

Mr. ARNOTT. I think it is the intention and I rather think Admiral Taylor so stated—that it is the intention of this committee to recommend the adoption of these particular regulations temporarily only.

Mr. GAHN. And the British rules differ materially from other countries?

Mr. ARNOTT. No, sir.

Mr. GAHN. Who have load lines?

Mr. ARNOTT. No, sir. The British regulations are different in appearance, but the results are practically similar—within half an inch, say, one way or the other—for similar types of ships. So that the German Government and the British Government have different freeboard tables which are mutually accepted one by the other; the results differ so very slightly they are accepted. In other words, on German vessels arriving in British ports there is no question about the load line; and on British ships arriving in German ports there is no question about the load line.

Mr. GAHN. From the testimony I have heard, there does not seem to be any clear standard of fixing the load line. If there is a standard, the British load-line law seems to be very flexible; there seems to be more than one standard of measuring boats as the law is given to us and contrasted by Mr. Gaines.

Mr. ARNOTT. Well, the British law or any other freeboard regulation that I know of, any other compulsory load-line regulation, does not mention specifically the rules under which the freeboards have to be worked out. That is done deliberately, because the types of vessels are changed and improvements are being made constantly in shipbuilding, just the same as in any other art; so that great care is taken not to include in the law itself any fixed rules and regulations. The great purpose is to make those rules as elastic as possible, so that as they change the construction of ships the freeboard rules are changed from time to time, naturally. They are not like the Laws of the Medes and Persians, parochial; but you have to keep in touch with progress and these rules are changed from time to time.

Mr. GAHN. And changed too often, perhaps.

Mr. ARNOTT. Oh, there is only one recognized set of British rules. When a new type of ship comes into existence, for instance, when some shipowner has gotten a shipbuilder to evolve a new type of ship and the freeboard rules in force at that time may not apply directly, I think what is done then is for the shipowner to apply to the authorities, to the board of trade, and usually there is a conference of the different assigning authorities under the act; that is to say, the classification societies and the board of trade, in this particular case, and this particular ship is put up before those technical men and they come to a decision on the point of what is going to be a fair and reasonable load line for that particular ship.

Mr. GAHN. The testimony here seems to indicate that Great Britain has one standard of measuring British boats and another for measuring foreign boats. At least, there is a possibility in their law, and the possibility indicates the probability.

Mr. EDMONDS. Are you conflicting the idea of measuring the boat for dead-weight and gross tonnage and measuring the boat for the load line?

Mr. GAHN. I do not know the technical phraseology.

Mr. EDMONDS. There are two different things there.

Mr. GAHN. But the result is fixing the load line.

Mr. EDMONDS. When you talk of measuring a boat for its tonnage, it has no effect on the load line whatever. I do not believe they measure a boat for its load line; I think they calculate on the strength of the boat and the general character of the boat and what the upper works show as to what the load line would be; is not that true?

Mr. ARNOTT. Yes, sir; that is generally the case.

Mr. EDMONDS. The consideration of the tonnage, measuring of the boat, itself does not enter so much in making the load line?

Mr. ARNOTT. Not so much.

Mr. EDMONDS. The other things—the character of the boat, the way the boat is built, the width of the boat, the stability of the boat, and a whole lot of things like that—enter into it. You might have a boat that is measured to carry 6,000 tons, or anything else you want to make it, and still be unstable on account of its build. Therefore the load line has to take into consideration all those different propositions—the build of the boat, the girders, and the general character of the construction of the boat, that you do not have to consider when you measure for tonnage. So that if you will divorce the tonnage from your mind in considering the load line, you will work on a better basis.

Mr. GAHN. The result is the fixing of the load line. Necessarily, if the load line is higher on one vessel than it is on another, the first vessel can carry a larger load, which will result in its carrying more tonnage.

Mr. EDMONDS. That is absolutely true. On the other hand, the measurement may be made that way and that one boat can hold so much cargo loaded right up to a certain point and be absolutely stable in any ordinary sea or in any extraordinary sea, maybe, unless it is very extraordinary, and on account of the character of the boat and the build of the boat the load line probably would be correct in accordance with that; but there may be another boat that has not the same structure but just the same size, as far as measurements are concerned, and yet she would not be able, on account of her stability, to carry the same load. She would be too topheavy; too much above the water.

Mr. GAHN. Are there any rules and standards by which those things are measured, so that the vessel owner in this country would know he was going to be treated fairly and the vessel would be measured by a certain standard so that the owners could construct their vessels in accordance therewith?

Mr. EDMONDS. According to my understanding of the testimony here, the load line has been made according to the British rules, with such modifications as you find necessary on account of the vessel?

Mr. ARNOTT. That is, only temporarily.

Mr. EDMONDS. Of course, I understand that is only temporarily; but if you do not get a load-line law, you will have to take their marks whenever you go to their ports, and just at present you are virtually following the rules established for the load line by the British Board of Trade which are established for that particular character of ship, are you not?

Mr. ARNOTT. Yes, sir.

Mr. GAHN. But it seems that the British Board of Trade, if they are the ones, fix the rules in measuring the load line and they have two or three sets of rules to go by.

Admiral TAYLOR. No, sir.

Mr. GAHN. The law permits that, at least, as digested by Mr. Gaines, that they can have one set of standards for British boats and one set for the foreign ships in British ports.

Admiral TAYLOR. The law might permit it, but the practice is there is only one set of rules as applied to all ships.

Mr. GAHN. Under that practice in vogue in Great Britain, which has a load-line law, I can see there might be a great many bad practices in the United States if we have a load-line law.

Mr. EDMONDS. What happens over there, as I understand the testimony, the British Board of Trade is the supreme authority, just as you propose to give the Department of Commerce supreme authority in this bill. Now, if they have a ship which, owing to its peculiar construction, would justify them in changing the load line, the British Board of Trade has the authority to do it. They have a general set of rules and regulations for establishing the load line, but the owner does not like that load line. He says, "I have built my ship different and I can do different with her." If the British Board of Trade are satisfied that his contention is right, they can give authority to change that load line.

Mr. ARNOTT. They do not change the load line, but they change the rules, because with every new type of ship it is taken up in the early stages of the construction when the vessel is building in the yard and, naturally, the whole thing is fought out then. The result is when the vessel is finished she has a load line and it is not necessary to change it.

Mr. GAHN. Until there is an international standard of fixing load lines, I do not see any big advantage of having a load-line law in the United States. For instance, the Shipping Board might be discriminated against by the British, or vice versa, by those in authority to fix load lines.

Mr. EDMONDS. That is very true, except this, that we have to send our ships to those foreign ports and when we send them to foreign ports, if we have no load-line law of our own, we are forced to take their load line. Now, your ship may get into port and it may be a special type of ship and they have no idea exactly as to what they should make the load line on it and they may be forced to go to all kinds of measurements and tests, and by that time you have had your ship, costing you from $1,000 to $1,500 a day, delayed there for from two to five days at least until they get through with it.

Mr. GAHN. You will have that delay anyway, because they will have to approve our load line.

Mr. EDMONDS. Yes; but if you have this law passed and make it liberal, then you can meet in open negotiations with England, because you can say, "If you recognize our load-line law in your ports, we will recognize your load-line law in our ports," and the result is you have the means by which you can force them to give recognition to what you do. I do not agree with all this imprisoned business myself; I will say that frankly; but I do say this, that we are undoubtedly at an advantage if we have some recognition of a load line, because then we can force Japan, we can force Austria, Germany, France, or any other country, to recognize our load-line law or we can say to them, "You can not come into our ports without our load line." The result is you are going to put the same expense on them that they put on you, and they will quickly come to terms, and it is going to bring about the international agreement you are talking about; whereas, if we never do this, you will never be in a position to enforce an international agreement, because any committee you would send would not have authority to make it a law, and it may take five years to have an international agreement before you got a load line.

Mr. GAHN. There is no international agreement now?

Mr. EDMONDS. No.

Mr. GAHN. So that under your interpretation there might be a different load line for our boats going to Japan than for those going to Great Britain or France.

Mr. EDMONDS. I think that is hardly possible. I doubt very much whether any group of sane surveyors and ship architects would change the load lines.

Admiral TAYLOR. There is the very closest international agreement among the countries which have load line legislation, because the technical departures have been comparatively small and the regulations vary comparatively little. Mr. Arnott pointed out the German regulations and I may say that 12 or 15 years ago the British and German regulations differed so much that there was a conference held and they finally came to a working agreement by which, although the regulations were not identical, they were so near it that one nation could accept the results of the other's regulations.

Mr. GAHN. Mr. Chairman, I realize I have not expressed clearly the point I have in mind, but I think you gentlemen with the technical knowledge get what I am driving at, and since that point might be in the minds of other members of the committee and there are so few members of the committee here, I thought I had better ask the question to the best of my ability.

Mr. EDMONDS. I am glad you did, and if you have not gotten it clear in your mind I would go ahead. Just because I happen to have studied this does not mean that you know it all. I am only trying to avoid confusion and trying to keep the hearing down to the load line and not to get us mixed up with the measurement of the ship and all those things which is an entirely different proposition.

Mr. GAHN. Here is the point: If there is no world-wide standard of fixing load lines according to a technical method, then what is the necessity of having a load-line law in the United States.

Admiral TAYLOR. Because, otherwise, we are liable to have to contend with separate load lines based on different standards. All

countries but the United States have a standard. Now, under present conditions, apart from this gentleman's agreement, as I understand it, if an American ship goes to an English port she may be required to be measured in the English port and to have her English load line established. Then if she goes to a French port, she may be required to be measured and have her French load line established; if she goes to a German port, she may be required to be measured and have her German load line established; if she goes to a Japanese port, she may be required to be measured and have her Japanese load line established. My impression is, although there is no international agreement, the nations which have regulations are so close together that there are very few cases where a ship carries more than one load line. I think in some of the north of Europe countries they have two load lines—one to meet the British and their rules and one to meet special cases. And I think, as things stand now, with American ships trading all over the world, they might have to have a separate load line for every country to which they go, because they all have different regulations and they will require the trading out of their ports to be in accordance with the regulations of their country on load lines.

Mr. EDMONDS. To me, that is the particularly attractive thing about this bill. If we can put it in such shape as to get recognition from these other countries, we are going to save ourselves from annoyance that they can put over on us if they want to do it.

Mr. GAHN. If each of those countries have different rules for establishing load lines, they can put us to that inconvenience anyway, because we would have to dicker with them in recognizing our law.

Admiral TAYLOR. There is no difficulty with that in practice if we once get our law.

Mr. EDMONDS. And do not forget this, that if we have a law here and they get to fooling with us, we can go to fooling with them, and we can cause their ships just as much loss as they cause our ships. Suppose the French held our ship up for 10 days in their ports and you had this law passed and no understanding with them, and then they bring one of their transatlantic steamers over here: We say, we are not satisfied with your load line; you have to comply with our regulations, and we keep one of their big transatlantic steamers standing around for 10 days. We can retaliate, and very soon you will force them to recognize your load line.

Admiral TAYLOR. Before, when the commerce under the American flag was a mere trifle, the matter was trivial; but conditions have changed now, and this is liable to be a very serious matter in conducting our foreign commerce.

Mr. GAHN. Your committee is going to call an international conference?

Admiral TAYLOR. No, sir. There was an international conference that had been called, the preliminary steps for it beginning in Great Britain in 1915. That was to have been the second conference. The first conference, in 1913, on the safety of life at sea, as a result of the disaster to the *Titanic*, was to have been succeeded by this other conference. It was put off on account of the war and never taken up again, but it is generally understood before long there will be another international conference called on this load-line matter, because it is a thing which it is desirable to handle internationally if possible, for the purpose of avoiding these difficulties the chairman has spoken of.

Mr. GAINES. I have heard there was to be such a conference in October of this year; is that information correct?

Admiral TAYLOR. I think not.

Mr. CHAMBERLAIN. No; there is to be no conference on that subject definitely at all; it is all in abeyance. There are likely to be some informal conversations on the subject of the modification of the safety-at-sea convention, which deals with passenger ships, but that does not involve this load-line question at all. You see, as a result of the war and the numerous torpedoings of passenger ships during the war, there has been acquired a very large amount of experience as applicable to the subdivision of hulls of passenger ships, and now there is some general feeling of talking that over; but nothing in the nature of an international conference, and certainly nothing bearing on this load-line proposition of an international load-line agreement. I think you possibly have confused what you have heard about one with the other.

Mr. GAINES. Well, the confusion, if any, was on the part of whoever informed me. I recollect the information I had, that there was to be a conference in October on this subject.

Admiral TAYLOR. Not on load lines.

Mr. GAINES. Would there be any difficulty in procuring such a conference by that time, in connection with the other informal conversation which you say is to take place, Mr. Chamberlain?

Mr. CHAMBERLAIN. You see, that is rather a short time. What you would have to do, somebody would have to move in the matter first and that would require an appropriation by Congress; if the conference was to be held here, you would have to pass a bill making the appropriation to put it into effect and to issue the invitations, and here it is the middle of July and I do not believe you could go through all the formalities necessary. You were here, Mr. Edmonds, when they had the safety-at-sea conference and your former chairman went there, and unless I am very much mistaken, it took nearly a year to get ready for that. You could not get it by October; that would be entirely out of the question—I mean, just because of the physical reasons.

Admiral TAYLOR. It takes about a year to get an international conference together.

Mr. HERRIMAN. Have you any doubt the passing of a load-line law by this country would hasten a load-line conference?

Mr. CHAMBERLAIN. You see, we would be in an impossible position, it seems to me, to call a conference on load lines when we have no load-line law at all. I do not think you could persuade Congress to do that, and I do not think you would advocate it and I am sure I would not.

STATEMENT OF MR. GEORGE R. McDERMOTT, PROFESSOR OF NAVAL ARCHITECTURE CORNELL UNIVERSITY.

Mr. MCDERMOTT. Mr. Chairman, it seems to me that the fundamental question that we are all concerned in and discussing is the question of the safety of life and property. The question of the load line is only one of those cases where we are discussing the advisability

of establishing laws which shall have for their purpose the protection of life and property at sea. How we are going to secure or what rules and regulations are proper to secure this safety of life at sea is a matter of detail that can best be considered by those most experienced in the matter of the construction of ships and the fulfilling of the conditions that those ships have got to fill in service.

I can not go into all these details, because there is not the time; but underlying any rule or regulation that will gain this security for life and property at sea there are three questions. First, the question of providing a certain amount of reserve buoyancy. You have a certain amount of buoyancy actively engaged in supporting your dead weight. As long as your ship is intact, your buoyancy is equal to the weight of the ship and all of the contents. In case of stress of weather or some other cause, if water is allowed to enter into the hull of the ship by the seas breaking over her, tearing her hatches away and getting down in the hold, you must have a certain additional buoyancy in reserve in order to make up for that additional weight.

The question naturally arises in one's mind—How are we going to secure the knowledge as to what is the proper amount of reserve buoyancy to have on hand to take care of those disadvantageous happenings. That can only be determined by experience. The committee of which I am a member have had these things fully in mind and naturally we turned to the nation which possessed the largest amount of experience, due to possessing the largest amount of tonnage, and we naturally made appeal to the present rules and regulations of the British Government. After considering them very fully, we came to the decision that so far as air buoyancy is concerned, it would seem from their experience that the rules and regulations they have adopted and practically had had in use for 30 to 40 years, fulfill the purpose.

The other consideration entering into the determination of the proper load line of a ship is that where you provide a proper working platform—meaning thereby a deck—and providing that the deck shall be a certain amount out of the water so that a seaman, in passing from stem to stern in the natural performance of his duties, will be reasonably safeguarded in regard to being washed overboard.

The third element you have to consider is strength; and in the present rules and regulations of the British Government that matter of strength is also taken care of right from the very beginning. The law was put in force by the British in 1890, and there it is stated clearly that the standard of strength shall be Lloyd's classification rules of 1885. These rules have been changed from time to time as new types of vessels came in, and also with the introduction, to a greater extent, of steel in lieu of wood. There are a great many types that have come in and the result is that Lloyd's rules have changed; other classification societies have come into being as a natural consequence of commercial conditions and their rules likewise have changed; but the standard at the present time is Lloyd's rules of 1885.

I do not think it has been stated this morning, although it may have been stated previously, that the British appointed a committee in 1913 having the same purpose in mind that this committee of which I am a member has—to take into advisement, consideration, and analysis what changes would be necessary from that standard of

1885—and as a result of their deliberations on that point and also on the other points I have spoken of, a reserve buoyancy is still implicitly involved, although it is not so stated in these proposals of the British committee. In the present board of trade rules, however, a reserve buoyancy is referred to direct; but it is implicitly involved in the work of this later committee. And form the experience that intervened between 1890 and 1913, that committee made certain changes; that is, they proposed certain changes. Their report is in the form of a blue book which was published in 1915 or 1916. Those changes were caused by the changes in the methods of construction, types of vessels, etc. But in regard to the standard of strength, because, no matter how we may look at it, it is involved, it is a mechanical proposition. If you load a beam beyond the powers that that beam possesses, there is only one result—it will bend, continue to bend, and break.

Now, a ship at sea, a ship lying in port—there are some ships I know that are bearing a load of 5 and 6 tons when they are lying alongside the harbors, 5 and 6 tons per square inch. If that is the condition alongside of the harbor, it has to be expected, in its travels over the waters of the Atlantic, in the winter, that that beam is going to be subjected to considerable straining; so that it is a reasonable conclusion to come to that in the rules and regulations of any law that is to safeguard life and property, the knowledge we have of mechanics must be applied.

As a result, this committee, in its analysis, found a new standard, because 1885 is to be regarded as obsolete in a way. They are still holding to that as a standard, but this committee adopted a new standard. Now, I happen to be one of the men on the committee who has had to make an analysis of the British rules, and I find them reasonably correct. They are founded on true mechanical principles and admirably fulfill, in my opinion, the purpose we are all seeking—the protection of life and property. That is fundamental. Any man who is opposed to laws that safeguard life and property—well, we each of us have our opinion of that man. I think, furthermore, as an American (because, although I speak Scotch, I am an American), I would like to see the United States flag entering any port, British, Jap, or any other port, not as a matter of courtesy, but because it is our right—as an American, I say, That brings it down to the fundamentals and, to me, that is what we are all sitting in session for—to discuss the advisability of passing any law to safeguard life and property; and, as an individual, I am in favor of it.

Mr. GAHN. As I understand, there is another object of a load line, and that is to insure fair and equal competition between vessels. Have you anything to say on that?

Mr. MCDERMOTT. That would naturally follow, and particularly if there was an international agreement. We are not seeking that in this law, although in the recommendations we are going to make to the Secretary of Commerce there are certain departures from the British. Admiral Taylor, our chairman, drew your attention to the question of introducing the consideration of dividing the world's seas into zones or belts. Thus, at the present time, following the British practice, the freeboard is determined upon the basis, so far as weather is concerned, of what exists surrounding the British Isles; namely, more generally speaking, between 50° and 60° latitude. Now, the

investigations of the member on the Pacific coast, and also on the part of myself who checked the figures for the Atlantic and Gulf condition—an examination of the weather conditions on both of those coasts, as also of the Indian Ocean—led us ultimately to the decision to recommend that the present standard of weather conditions should be departed from. To put it very tersely, the changes we propose, we are taking a belt or zone 25° each side of the Equator, in which we know from an examination of the governmental charts that have been published, which we examined for a 25-year period, that for that 50° belt the conditions are practically similar to that of the Indian Ocean, for which the British make special provision. Then what lies south of that and north, as Admiral Taylor said, we find as we go farther south and farther north, that the weather conditions become more severe. As a result, we are going to take advantage of what the good Lord has given us by making rules and regulations whereby we will be able to take advantage of that 50° belt. We are not garnering that for ourselves. It would be un-American if, in my judgment, we attempted to get something over the other fellow. It is not a question of competing with the British; it is a question of protecting life and property and, ultimately, particularly if an international conference is secured, which I believe it will very shortly, I believe we can rely on the other nations agreeing with us in principle and it will only be a matter of settling the zones.

For example, I say 25° on each side of the Equator. Some fellow who happens to be on the other side of the belt will come along and say, "Now, look where you put me; I am to be left off the map, so to speak," and there will be little differences made in that zone, and in taking 50° across the equatorial belt there are conditions in which this committee, in its judgment, believe there should be some allowance. Now, in the British law as it is now, which we are following by matter of courtesy and by a gentlemen's agreement, there is no such advantage to be obtained. That is one of the chief differences that we would expect to argue in an international conference, to secure not only for ourselves but for the rest of the world's commerce the advantages that belong to that belt, so far as weather conditions are concerned.

I think, gentlemen, that is all.

Mr. PENDLETON. Have you ever been master of an American seagoing cargo vessel?

Mr. MCDERMOTT. No; but I have come in contact, as a designer of vessels for a period of 15 or 16 years, with many masters of American seagoing vessels.

Mr. PENDLETON. How long did you follow the sea?

Mr. MCDERMOTT. I have not followed the sea at all.

Mr. PENDLETON. You never loaded a ship in a port where she was going to stand these stresses of weather, and yet you want to make up rules for men who have followed the sea all their lives. That is your position in this thing?

Mr. MCDERMOTT. Yes.

Mr. PENDLETON. You want to make rules for men who have established reputations as shipmasters, who have followed the sea all of their lives, who know their own ship, know the voyage they are making, know whether the ship is strong or weak, know whether they are going through calm or storm—you want to sit at a desk and tell him how to load the ship when you never went to sea and never had any experience. Now, that is the way with most of the people who know anything about a load line.

Mr. EDMONDS. I think the gentleman explained to us in the beginning that he was a professor of naval architecture at Cornell University, and also explained he has come in contact with men who have had experience.

Mr. PENDLETON. I would like to get a man here who has gone to sea and loaded these vessels.

Mr. GAHN. Your idea is that no Member of Congress ought to fix a load line unless he has been a sailor?

Mr. PENDLETON. No; they ought to get their information from some men who know something about it.

Mr. GAHN. Well, the committee is doing that.

Mr. EDMONDS. We are going to give you a chance.

Mr. PENDLETON. You gentlemen are all right; you have not a dollar invested in ships.

Mr. EDMONDS. How do you know that? You can not make that statement.

Mr. PENDLETON. I hope you have.

Mr. EDMONDS. If you want to make a statement and get into personalities, I will get into them very quickly.

Mr. PENDLETON. I hope you have; but it has always been stated that Members of Congress were not supposed to have investments in shipping.

Mr. EDMONDS. I guess there are Members of Congress interested in shipping. I have been interested in it, and I guess I know as much about shipping as any man can who does not make a trade of it.

Mr. HERRIMAN. How much does the average master know about the strength of the vessel?

Mr. PENDLETON. He knows more than any man living.

Mr. HERRIMAN. I can not agree with you.

Mr. PENDLETON. He goes out in her and he goes in the storms and he knows the strains on the ship, and there is not any inspector and there is not anybody else who knows half he does.

Mr. HERRIMAN. That is not true.

Mr. PENDLETON. If he comes through with her, he knows whether she is strong or weak, and he is there to load her and to determine what cargo he carries.

Mr. MCDERMOTT. Mr. Pendleton has asked me a question and I would like to inform him as far as I have the ability. Unfortunately, I am laboring under the handicap of being a professor in a university, which may or may not have its disadvantages; but, before that, I got what every professor ought to have, which is a full training in the knowledge of ship construction. I got it under conditions about which I think there can be no question, namely, with the Clyde Bank Shipbuilding Co., where the *Lusitania* was built and the majority of the famous vessels on the North Atlantic, and I have taken part in the designing of those vessels. You ask me if I have had any sea experience, and I say no, but I want to make this qualification: I have had no sea experience as a master or as a man before the mast, but I have had the privilege in the course of my business of having made 26 double trips across the Atlantic in all kinds of weather; I have traveled all the oceans of the world, and I can say

definitely that I have put into practice all I gained from that experience in the design and construction of vessels. When we design and construct a vessel, we do not attempt to follow this rule and that rule.

Mr. PENDLETON. You were always on passenger vessels, and not on the kind of vessels that this bill affects.

Mr. MCDERMOTT. You have made that statement; I have not.

Mr. PENDLETON. Is not that true?

Mr. MCDERMOTT. No; it is not.

Mr. PENDLETON. What passenger vessel did you ever go on, in the transatlantic, carrying freight?

Mr. MCDERMOTT. What passenger vessel?

Mr. PENDLETON. What vessel did you ever go on, carrying just freight? Did you ever go across the transatlantic in a ship in the winter season?

Mr. MCDERMOTT. No, not from England to America; but I have gone across in a 250-foot boat to the West Indies. Is that, in your judgment, crossing the Atlantic?

Mr. PENDLETON. Did you go light, or loaded?

Mr. MCDERMOTT. She went loaded.

Mr. PENDLETON. That is all right, Captain; you went down in good weather.

Mr. EDMONDS. I would like to say, Captain, I have crossed the China Sea in a typhoon in a freight boat.

Mr. PENDLETON. In deep water.

Mr. EDMONDS. In deep water.

Mr. PENDLETON. What did she have in her?

Mr. EDMONDS. She had tea on that trip.

Mr. PENDLETON. Tea is light. Ordinarily a vessel that goes into the China Sea, you do not have one-half or a third of the deadweight. And this Indian Ocean—it is nothing but bagging and other things like that. It is all right for people to talk about those things, but when they get here why don't they get down to the facts.

Mr. GIBBS. It seems to me, from what I gather of what has been said, that Mr. Pendleton is contending that in his own business, with the captains of long experience that he employs, it makes unnecessary the use of a load line and that the practice that he has followed results in a maximum of safety and a minimum of loss of shipping. Now, I asked Mr. Pendleton yesterday a question, and I repeat it to-day, and it seems to me the answer to it ought to be fairly conclusive. That question is, what is the average tonnage of the boats, total fleet, that Mr. Pendleton has owned for a period of 10 years, and what are his losses?

Mr. EDMONDS. I suppose you will answer that when you give your testimony?

Mr. PENDLETON. Yes, sir, I will. I will answer it right now. For 10 years, I have not had a vessel that ever foundered at sea.

Mr. GIBBS. Now, Mr. Chairman, I would like to ask Mr. Pendleton if he remembers a case decided in the Supreme Court, the title of which Pendleton *v.* Benner Line?

Mr. PENDLETON. Yes, and that is 12 years ago, and I am going to reply to it when I get before this committee. I want the opportunity and time to do it.

Mr. EDMONDS. Will you tell us about the *Metanzas*. Tell us about the *M. P. Chase*.

Mr. PENDLETON. The *M. P. Chase* did not sink.

Mr. EDMONDS. She foundered at Sandy Hook.

Mr. PENDLETON. No; she got ashore in a gale of wind there. There was not anything about unseaworthiness; she got ashore in a gale of wind.

Mr. EDMONDS. How about the *Charlotte T. Sibley*?

Mr. PENDLETON. We did not own her.

Mr. EDMONDS. How about the *Susie G. Davidson*?

Mr. PENDLETON. We did not own her.

Mr. EDMONDS. Who did own her?

Mr. PENDLETON. I do not know; we sold her—she had been sold two or three years before she was lost and we had not had anything to do with her for two or three years.

Mr. EDMONDS. How about the *Edith Olcott*?

Mr. PENDLETON. The *Edith Olcott* is 12 years old. I bought her while she was at sea, on the recommendation of the inspector of the American Bureau of Shipping, taking their records for it. She came to New York, discharged her cargo, and went onto the dry dock, and five of those insurance inspectors went down to that dry dock while she was there and inspected her. She came up to New York and loaded, and they inspected here there. They took the insurance on that vessel, because of their inspection, at a lower rate than they ever insured any other vessel of the same age. She went out and after five days at sea in a Gulf storm she struck some obstructions and for three days she leaked and the pumps were started, and then a steamer came along and towed her for two days, and they did not abandon her until she had 13½ feet of water in her, when they left her and turned the pumps off, and then the attorneys for some of the insurance companies here yesterday sneaked around and got some fellow from Great Britain who wanted to salvage her to say her pumps were out of condition, and Judge Holt found them a venal and bad lot; that is what he said. And then the case went up, and that is the only case on record in this country where a man was not given limitation of liability, because he signed a charter for her; that is, the limitation of liability act of 1851, nor Senator Frye's act of 1884, nor the Harter Act, they said, did not go, because it was my personal contract; and it is the only case on the records of this country that is like it, and there is not an admiralty lawyer who knows anything about it but what would tell you it is the worst piece of law and that something must be done by Congress because no individual would be safe to own a vessel. Here is what it did. A man owning under the law to-day a sixty-fourth vessel goes out and signs a contract, and if that vessel is loaded with a cargo of sugar and she meets with a disaster she is unseaworthy when she leaves port, unbeknown to him, when she leaves South America or some other place, he is held under his warranty to take every dollar he has got in the world, when every other owner gets off, because they say it is his private contract and they will limit the liability of every other owner because they say the vessel is seaworthy. And the act of 1851 and the act of 1884 was supposed to limit the shipowner to the liability of his investment in the ship. And you gentlemen have

got to pass an act—I will say now you have to do it or you can not get sale for these ships—to limit a man's liability to his investment in that ship.

I did not have any insurance, practically not a dollar, on this ship, and I paid these men that came up there for their cargo, and Mr. Raven, president of the Atlantic Mutual Insurance Co., said, "Now, Pendleton, we went through your ship; we took her at a lower rate of insurance than we have ever taken any other ship because our inspectors said she was the best vessel they ever saw of her age"—and it is in the records—and he said, "We will pay our losses"; but the other marine insurance companies, and this company, the North American, that was here yesterday, that is gving out information to exporters not to ship in American vessels, is one of the companies I paid the entire losses to. It cost me about $100,000.

Mr. EDMONDS. I do not think we will get anywhere by getting into personalities.

Mr. PENDLETON. I know; but these people come up here, and I will tell you our concern has furnished more American business, more than ten times—yes, more than forty times—than your concern that has drawn $758,000 a year for 25 years from this Government and never put a dollar into a new ship to go on the transatlantic lines. That is what they have done, and that is the same company that had allocations of 678,000 tons of shipping from the Shipping Board and then took the money to go to Europe and build up foreign shipyards, to give employment to foreign labor to drive off the seas the flag that protects them here at home. That is the kind of institution running down here representing the American merchant marine. I say to you gentlemen that it is time that this American Congress came to an understanding of their duties to American shipowners; and unless you do it, and unless you separate the goats from the sheep, you will find——

Mr. EDMONDS. We are trying to do it; but they always do the same as you, they always get into a scrap with each other.

Mr. PENDLETON. They have been drawing $758,000 a year from the Government for 25 years and its attorneys are engaged by the British shipowners to come here and make arguments against every bill that you gentlemen have ever put through to build up American shipping, and it comes out in their British papers that they secure their services to go against American shipowners. That is what the crowd that comes here that owns these ships are doing.

Mr. EDMONDS. They never move the committee. We wrote the Jones bill, most of it.

Mr. PENDLETON. But you are not writing a discriminating duty in the Fordney bill.

Mr. EDMONDS. I have nothing to do with that.

Mr. PENDLETON. I know it; but it does not amount to a hill of beans anyhow, unless you do that.

Mr. EDMONDS. It would have amounted to a hill of beans, because the discriminating duty would have gone on the next day unless we were stopped by those treaties.

Mr. PENDLETON. It would not have gone on the next day nor the next month.

Mr. EDMONDS. It would depend on the terms of the treaty. If we had done that, it would be in existence to-day.

Mr. PENDLETON. I put in several weeks down here on the Underwood-Simmons tariff bill, trying to get that discriminating duty in, and John Sharp Williams wrote into it "unless treaties conflict;" and then when they got this last bill on, we thought it would go in and we would get it into the Jones bill and in your bill to get the abrogation of treaties, and then we would make the rules to put it on. And you will have to see that it is in there before you can sell these ships.

Mr. GAHN. You said Congress would find, and then you stopped. What would Congress find?

Mr. PENDLETON. They will find, if they do not put that in, that they will keep these ships tied up, and instead of selling these ships they will keep them on their hands and in 1935 and 1940 they will be where they were in 1915. In the meantime, they will have spent three to four billion dollars more in trying to operate them. You can make laws as to how we shall work, but you can not make a law to make the American investor put money into these ships when you make them unprofitable.

Mr. Chairman, this gentleman has said here it is a question of safety. Now, the whole proposition is safety. I say it is safety. In that I stand or fall, and if the American ship is not safer to-day than any other ship in the world, I will ask you to pass a bill to make it so; but I know their records show it and prove it, with all the British laws.

Admiral TAYLOR. Mr. Chairman, Mr. Sadler, chairman of our subcommittee on the Great Lakes, is here and I thought the committee might be interested, under the 5-minute rule, in hearing him talk a little about the Great Lakes shipping. It is not immediately concerned with the bill, but I believe it is a matter of interest.

STATEMENT OF MR. HERBERT C. SADLER, PROFESSOR OF MARINE ARCHITECTURE AND NAVAL ENGINEERING, UNIVERSITY OF MICHIGAN.

Mr. SADLER. When the main committee was divided into three parts I happened to be chairman of the Great Lakes subdivision. Briefly, that committee investigated all the conditions that would bear upon the question of fixing load lines on vessels on the Great Lakes. In a similar manner to the investigation conducted by those interested in the Pacific and Atlantic coasts we studied weather conditions, varying at different times of the year, the conditions of the operation of our vessels, the strength of the vessels, reserve buoyancy, etc. And the one point I should like to make and to make very strongly, gentlemen, is this, that the conditions on the Great Lakes are absolutely different from those that pertain for the ocean-going vessels, and that if a load line is established and if it is to apply to the Lakes, that a special committee shall be appointed to draw up rules and regulations applicable to Lake vessels, and that committee to be composed of men who are familiar with the conditions on the Great Lakes. In other words, it would be absolutely unjust to apply overseas freeboards to the Great Lakes vessels on account of the different conditions of operations.

Mr. EDMONDS. From what we have heard down here recently, between the passage of the seamen's act and the introduction of the load line bill, the Great Lakes must be God's country.

Mr. SADLER. Gentlemen, you may be interested to know that the deep sea laws have been applied to the Great Lakes vessels, as there was no specific regulations made for them.

Mr. EDMONDS. Over my protest, I will say that.

Mr. SADLER. Our Great Lakes vessels float in fresh water, and in their lifeboats they have to carry water casks, in fresh water, and hardtack biscuit, when they are only about a mile or two from shore the greater part of the time.

Mr. GAHN. Would it do any harm, from the standpoint of safety, not to include the Great Lakes in the load line bill at present? Then if a load line bill might be established for the ocean traffic and it is found to be a good thing, this committee would then be appointed to establish one for the Great Lakes. In other words, would it not be best to exclude the Great Lakes from the operation of any bill enacted at the present time?

Mr. SADLER. I think from a general safety point of view that the establishment of a load line, properly fixed to suit the conditions there, would not work a hardship on anybody, but I think it is fair to say that the opinion is somewhat divided on the Lakes. Some are somewhat in favor of it and some are against it. I think it is largely the fear of extra legislation.

Mr. EDMONDS. It is somewhat of a relief to get away from the contesting ocean elements and to hear what a unanimous opinion they have on the Lakes. Mr. Leckie will now come in and protest, I know, against taking the Lakes out of the bill, because I know he does not want to have the Lakes ignored in any bill passed down here.

Mr. SADLER. Perhaps to anticipate that a little I might say every type of ship is considered as a safety problem, and if you have special features they would receive proper special investigation and their proper assigned mark.

Mr. EDMONDS. I guess the next one to be heard, gentlemen, is Mr. Leckie. Shall we go ahead?

Admiral TAYLOR. I think this committee is through, Mr. Chairman. Dr. Durand, who is chairman of our Pacific Coast Committee, unfortunately was not able to be here, and I might say, in his absence, that his investigation has shown the necessity of some regulations regarding some special consideration of the lumber trade on the Pacific coast. They have made a very thorough investigation of the statistical history of that, extending back for a number of years, and in any regulations which would be drawn in detail it would be necessary to make special provision for them.

I think that is probably all he would tell you if he were here, and our committee is convinced of that.

Mr. EDMONDS. You mean then, if we pass this bill, that the committee would arrange for special provisions?

Admiral TAYLOR. Yes, sir.

Mr. EDMONDS. Or that they want a special provision in the law?

Admiral TAYLOR. No; they do not want a special provision in the bill.

Mr. EDMONDS. Simply in the regulations?

Admiral TAYLOR. Simply in the regulations that would be provided for.

Mr. EDMONDS. In other words, if we leave the bill as drawn, all these interests would be taken care of in the regulations?

Admiral TAYLOR. That is another illustration of the virtual necessity of giving a certain latitude to the department and assuming they will execute the law with almost absolute human intelligence.

Mr. EDMONDS. We always suppose they do.

STATEMENT OF MR. FRED L. LECKIE, CLEVELAND, OHIO, REPRESENTING THE GREAT LAKES SAND AND GRAVEL PRODUCERS' ASSOCIATION.

Mr. EDMONDS. You had better put in your practical experience, because it might save controversy.

Mr. LECKIE. Well, if you request it, I was born and brought up on the rivers.

Mr. EDMONDS. I do not mean that; I mean your shipping experience.

Mr. LECKIE. Well, I was brought up at Port Huron, which is at the foot of Lake Huron, where we are all sailors and, as the old saying is, we are all web-footed up along the river there. I sailed for many years and then I got interested in ships financially and at present I am a humble practitioner of the law and also own in a good many different types of lake ships; and I have been connected with lake shipping all of my life, which is now some 46 years.

This Great Lakes Sand and Gravel Association is scattered along the lower lakes. There is some out of Rochester or Charlotte, on Lake Ontario; there is some out of Buffalo, down along the Niagara River; some out of Erie; there is quite a lot out of Cleveland; there is some out of Sandusky; some out of Toledo—quite a lot. I think the most of it is centered in and about Detroit, the majority of it anyway, up along the St. Claire and Detroit Rivers, some of it in Lake Erie and around the islands. There is some of it Chicago, and I would say there is probably some out of Saginaw and Bay City, although we have no membership there. There may be some in Mr. Scott's district, up around Alpena, but there is no membership there. It is a large volume of business and, a few years ago, it ran into the millions of dollars of sand and gravel brought from the bed of the lakes along along the shores, etc., and delivered at those cities along the coast, and a large amount of tonnage is engaged in that particular traffic—so much so that it is sufficient of an investment that it merits your serious consideration.

The members of that association know nothing about the load-line legislation that has gone forward heretofore. Apparently, they had never been apprised of it. At any rate, none of them had been down here, I believe, to testify before your committees, and if they had known about it they would have been down here to protest its passage, as it is going to jeopardize their business.

First, as to the broad consideration of the Great Lakes. I think you will agree—at least, I have gathered and I think most of you will agree—that the real fight here or the real consideration is the ocean-going foreign trade; that is what it seems most to be directed at, and your only reason that is put forward as to why this legislation should be passed as to such trade—of course, it is going to apply to all trades if it is passed the way it is here—is that it will stop our boats from having delays in England, which I will use as an illustration, because now we meet with delays; that is, the boat has to be stopped for putting on the Plimsoll mark and all that sort of thing.

Now let me call your attention to the fact that situation does not prevail on the Lakes; that the only Nation whose boats trade to our ports and our boats trade to their ports up there, is our neighbor, Canada, and she has no load line, so that we have not that condition in Canada of our ships being held up in Canada to put a load line on them, and that you are passing this bill to meet conditions in the foreign countries.

The next thing to which I wish to call attention is this: Your chairman has said this to most of the marine men and a lot of them have used this as the real thing you are trying to get at, and I take it that you do not want a foreign ship and foreign ship owner to have any advantage over our boats. That is the real thing you are pointing at.

Now let me show you how it will work out on the Lakes, with no load line in Canada. Of course you know that the ships of either country can trade between the ports of either country. Of course, their ships can not come over here and trade between two of our ports and we can not go over there and trade between two of their ports. Then you will have a situation where Canadian ships would come over and load as they pleased at our ports and we, who have to load alongside of them, will have to load according to your regulation. Now the very thing you are pointing at, the very thing you are directing this legislation to, is going to be defeated; in other words, by passing this legislation you are going to put the Canadian boat at a premium.

Mr. EDMONDS. Of course, safety is some consideration.

Mr. LECKIE. I hope you got my point. My point is simply this, that you are passing legislation for the express purpose of putting boats on a parity and in our particular situation it will work just the opposite and give the Canadian boats an advantage over us.

Now to get down to my particular boats which I represent here.

Mr. EDMONDS. Your ownership is all in these small sand and gravel boats, is it?

Mr. LECKIE. No; I own in the large boats, in the large Lake carriers; I own in passenger boats, and I own in everything but dredges, I guess. I own in a small way. I want to get down to the particular type of ships now that I want to tell you about; that is, the sand and gravel boats. There are really two kinds of ships that are in this type, engaged in this trade; one is the so-called converted lumber barge type, wooden boats pretty largely. And they were single deck ships and you heard Mr. Furuseth say the other day that the single deck ships were the most seaworthy ships in the world, and they were built expressly to put a big deck load on them, etc. That is the kind of ships I am talking about now. Those ships were taken and converted in this way: Their hatch combings were decked right over and their hatches are decked right over the whole length of the deck and nothing is carried in the hold as in the ordinary ship. There is some permanent ballast put in there usually. I might say that to increase the space for the load that is going to be carried, her sides are taken and carried up, and if the old type of deck works are not good and staunchly built, they are built of scantlings and staunchions and carried up higher and planking is put along on those, so that the sides are carried up possibly something like 8 or 10 feet, but not decked over. That siding is calked, so that it is all watertight. Now that ship is called a sand sucker and it is fitted with heavy machinery, with a boom that lifts and carries a great big flexible pipe, with the suction on the bottom of it, and they lower that down on the bed of the stream and, by hydraulic suction, pull the sand and gravel up with it, and then that pipe has openings above the deck of the ship and the sand and gravel, by gravity, drop down in there and the water runs off over the side, so that the result is after pumping for a while you have your deck load.

Mr. EDMONDS. You take that sand and gravel out of the lakes?

Mr. LECKIE. Yes; usually along the bank somewhere, or along the islands, or in shoal water, or any place where it is accessible.

Mr. EDMONDS. I do not suppose you ever draw any particular sand and gravel out in the middle of the lake, do you?

Mr. LECKIE. No; it is too high to lift.

Mr. EDMONDS. You do not keep out in the channel when you are taking out sand and gravel, do you, so that you would get paid both ways—by the Government for dredging the channel and by the people who buy the sand and gravel?

Mr. LECKIE. No; but right opposite Port Huron there is a particular kind of gravel they want. It is in the middle ground, and we dredge it out, and some of the natives in there tried to put us off there because they want the revenue for every yard of stuff taken off.

Mr. EDMONDS. Where do they come in?

Mr. LECKIE. Because they are riparian owners. Some of those who go to Canada now have to pay a royalty to the Canadian citizens for all the stuff taken out.

Mr. EDMONDS. Outside of the 3-mile limit, I suppose you can take it?

Mr. LECKIE. We have no 3-mile limit on the Great Lakes.

Mr. EDMONDS. That does not apply?

Mr. LECKIE. We have an international boundary line, which runs practically along the middle of the lake, and each State line runs practically out to the boundary line and the Provinces back the other way, so that we are always in some jurisdiction out there.

Mr. EDMONDS. Is not all the ownership in the surface up there?

Mr. LECKIE. That is the bone of contention. We have all, with Mr. Gahn, mixed up in that thing; there are the rights of each railroad, and there are riparian rights, and Canadian rights, and State rights, and they claim they are entitled to revenue. It is like an asphalt bed; the first little gale of wind there is up there the sand and gravel is back there again the same as it was before, and they would have a pretty good thing.

The other kind or class of ship used in this trade is the specially constructed steel boats, built especially for this trade and built for nothing else, and they are constructed of steel.

Mr. EDMONDS. What tonnage?

Mr. LECKIE. They would probably average 1,000 tons, or probably more than that for the later type of steel ship. The older type, the wooden type, probably runs from seven or eight hundred to a thousand tons.

Mr. EDMONDS. They would be covered by this bill, then?

Mr. LECKIE. Yes; they would be covered by this bill. Some of them are not, but the most of them are. The steel type of ship is constructed pretty largely the same; that is, her deck is down low

and her scantlings are carried right on through the platings and right up in the air, and the top is open, so that the cargo can be poured in there. They are also fitted with these immense booms, that have to reach out and get the stuff.

Now, in each one of these types of ship the deck is necessarily away down low, and that is for several reasons. First, they do not want any higher lift than they can possibly avoid for this product, because they have to suck it up from the bed of the lake or the bank of the stream, or something, and it is quite a lift, and the higher lift with hydraulic power adds to the cost vary materially, just a few inches, even, so that they want the deck as low down as they can get it to get this stuff aboard.

Mr. EDMONDS. And they put it low down, all right.

Mr. LECKIE. Yes, sir; that is just exactly what I am leading up to. They put them below the water. They have these immense booms that have to go out at right angles to convey this heavy suction apparatus, and some of them are fitted with clam shells, and they go down to the bottom and grab up the gravel, and then bring it up over the side of the boat and dump it. So that the boom has a great effect on the stability of that ship, and necessarily the ship has to be exceedingly stable. That is the reason for having the deck low down, so that when loading, the center of gravity is pretty well down in the ship, and when these ships are loaded their decks, I would say, are almost invariably below the surface of the water.

Mr. EDMONDS. We could put the load line up on the boards on the side, couldn't we?

Mr. LECKIE. I have asked these gentlemen here and they have all talked about freeboard. Admiral Taylor said the freeboard was the distance from the deck down to the water and Mr. McDermott said the deck had to be a reasonable distance above the water to get buoyancy. Now here we have a ship where the deck is down below the water—has got to be down below the water in order to carry on a big volume of business like that.

Now, as to these runs where these boats trade: At Buffalo it is pretty largely down the Niagara, a protected run. At Erie you do not go outside of Erie Bay, which is formed by the peninsular point and probably a mile to 2 miles across and 3 miles the other way, and there is lots of sand in it. At Cleveland we have to run out as far as the islands in Lake Erie, which is about 30 or 40 miles. At Sandusky they also have the bay, but they run out to the islands in Lake Erie also.

Mr. EDMONDS. Do these boats run under their own power?

Mr. LECKIE. Oh, yes.

Mr. EDMONDS. What is their speed?

Mr. LECKIE. Eight or nine miles an hour.

Mr. EDMONDS. Eight or nine miles an hour when they are loaded?

Mr. LECKIE. Yes. At Toledo there is lots of sand in the river. Some of them may go outside; but if they do, it is right close to the entrance of the river. At Detroit it is pretty largely up and down the St. Claire and Detroit Rivers, and again out to some of the islands, when they want to get some particular kind of gravel.

Mr. EDMONDS. Did you ever have any of them founder?

Mr. LECKIE. Not one.

Mr. EDMONDS. Did you ever have any lives lost?

Mr. LECKIE. No. One of the boats called the *Dessend*, one of the old wooden type, not because of her structure, but on account of her physical condition—she was an old and decayed boat—was lost; that is the only one. Now, in Chicago, there is sand all along the shore at Chicago. They do not need to go very far to get sand at Chicago. The same thing is true in Mr. Scott's district, up around Saginaw and Bay City; it is close to shore.

So that outside of the runs to the islands in Lake Erie there is very little departure, very little chance to get the boats caught out on the lake. And, as I say, there has never been a boat lost and never been a life lost from overloading or such things as this load line is called upon to meet.

Another thing I want to call to your attention is that their sides are 6 or 8 feet above the deck and without any deck over it, and they have this immense machinery, and if the situation was ever so bad that they wanted to get rid of the cargoes, to jettison the cargoes, they can do it very readily. They can get the cargo off quicker than they can get it on, because they have to lift it quite a ways to get it on. As I say, these are specially constructed ships, for a special trade, and any known system of figuring freeboard or load line could not be applied to them at all, and really you might just as well try to figure a load line for a submarine.

Mr. EDMONDS. Some fellow put it on his smokestack. Maybe if we put it on the smokestack it would suit Mr. Pendleton.

Mr. PENDLETON. One fellow put it on his mast. I do not want it at all, Mr. Chairman, because I want to be safe; I want the master to decide that.

Mr. LECKIE. I say we do not want it at all, in this particular type of ship at any rate, for the reason we do not need it. There has never been a life lost, as I told you. Now this business is a serious business; it is a big business. These men have a lot of money in it, and I take it you do not want to legislate a business out of business unnecessarily. It runs into all sorts of ramifications; they are feeders for all the Great Lake cities and far back into Pittsburgh. This sand and gravel is shipped all over for building purposes; it is used to make all the roads in our country and it is one of your constituents; so that it is a big business.

Mr. GAHN. And the supply, I might say, is inexhaustible.

Mr. LECKIE. Yes. Speaking from the standpoint of the important end, you are looking at it from a humanitarian standpoint, and let me call your attention again to the fact that there has never been a life lost in all these years from anything that this legislation would reach. Of course, you say there might something happen. True; but your knowledge of the future is only based on your experience gained from the past, and it does seem too bad to pass this kind of legislation, that is certainly going to cripple these people at any rate, when there has not been any necessity shown for it.

Mr. EDMONDS. If you folks on the Lakes had taken more care, you might not have had as much trouble as you are having to-day—if you had not had the *Eastland* disaster.

Mr. LECKIE. There is no legislation before this committee, or proposed, that would touch this *Eastland* disaster. That happened right in the river while the *Eastland* was tied at the dock. Of course, there is no legislation that can be devised to bring about a millenium.

Even in farming—farming is a producing industry, and yet it takes its toll of lives.

Mr. EDMONDS. But you gave this committee great leeway when you had that disaster.

Mr. LECKIE. That is true, and nobody is more sorry for that disaster than the Lake men themselves.

Mr. EDMONDS. We have not punished you for it. That, I suppose, is because you have so much sand and fight.

Mr. LECKIE. Now, we are losing our sand and we are asking you to give us a chance to keep our sand up there.

If you feel this legislation must pass, then I want to ask you to exempt us. First, we would like you to exempt the whole Great Lakes, for the reason I told you it is not going to put us on a parity with foreign nations but will give our foreign competitor an advantage over us. Second, as to this particular type of ship, I would like to have it exempted, because it is not necessary and will cripple a business that should not be crippled. You have good precedent for it. You are using this British load-line legislation as a basis and the British load-line law does not apply to inland waters.

Mr. EDMONDS. We are not using it as a basis; we are trying to get away from their load line; that is what we are trying to do.

Mr. LECKIE. You are trying to get something better?

Mr. EDMONDS. Always.

Mr. LECKIE. I will ask you to do something just as good, then. They exempt inland waters; they exempt certain classes of seagoing ships for certain purposes.

Mr. EDMONDS. Their exemption is only of vessels under 18 tons.

Mr. LECKIE. But they exempt all kinds of fishing craft and yachts.

Mr. EDMONDS. And their coastwise business is now exempted, too, I believe.

Mr. LECKIE. Except if it is seagoing.

Mr. EDMONDS. I think it is all exempted.

Mr. LECKIE. If it is all exempted, so much the better; you have a still stronger precedent for doing that for us. Now, as to the method of doing it, if I can leave a suggestion with you, if you want to exempt the whole of the Great Lakes, in subsection C, which is the only one that would touch us, anyway——

Mr. EDMONDS. No; I am wrong there; it is only the small ships that they exempt.

Mr. LECKIE. In subsection C, which is the one that would touch us, right after the word "possessions," add the words "for a voyage by sea," which is carrying through the same thought that is in A and B. Then your subsection will read:

> Other vessels loading at any port or place in the United States or its possessions for a voyage by sea—

which will take us out on the Great Lakes.

Now if you can not see your way clear to exempt the whole of the Great Lakes and if you still want to pass legislation that will affect us on the Great Lakes at this time, but you can see your way clear to exempt the ships I am speaking for, or any other class of ships you want to exempt, then in subsection C, right after "vessels," put in "Other vessels of 500 tons or over, excepting," and then put in whatever class of vessels you want to except. That will be an easy way to do it.

Mr. EDMONDS. You are a pretty fair man and you have been listening to this testimony for the last couple of days and you have no interest on the ocean——

Mr. LECKIE. None on the ocean.

Mr. EDMONDS (continuing). And I would like to get your opinion, from the ocean end of the line, from what you have learned here, if you have been able to learn anything. We are trying to learn, and I was wondering whether you had learned anything from the testimony here and would be able to give us your opinion as to the ocean end.

Mr. LECKIE. Well, I am here representing a particular interest and I would much rather not get into other people's troubles. I would sooner they would take care of their own. I want to speak primarily for my sand and gravel people and just offer the suggestions that occurred to me as to the Great Lakes generally; and as to any other class of shipping, either on the Great Lakes or ocean, I would sooner have them speak for themselves, and there are other people here who can speak for the other Great Lakes ships. I can say as to that that a good many of our ships up there would not be affected at all. As Mr. Gibbs expressed it, it is a comparison between this high type of ship with the sides out of the water, and the other type of ship; and the big tonnage up there, as Mr. Goulder said, would not be affected, because the channels are not deep anyhow and they could not get down to the load line.

Mr. GIBBS. I would like to ask whether you do not know that in the proposed regulations, or in any regulations that have been considered on this subject, it was not the intention to consider special types of ships on their merits; and it seems to me—and I am willing to be corrected by other members of the committee if I am wrong—that you have clearly made a case coming within a special type of ship. In other words, yours seem to me obviously to be a special type of ship and it has always been in the mind of this committee, as I have gathered it, that a special type of ship was to be considered on its merits; and I would say, subject to looking into the thing further and considering it, that you have certainly made a case that would come under that; and if the thing is exactly as you have stated, and I do not wish to say it is not, I do not see why a load line would penalize these vessels at all. It certainly would not be in my mind, if I were considering it, that they should be penalized at all; and if they have the record that is claimed for them, and I have no doubt they have, I do not see why they could not be given a load line to do exactly the way they are doing now. In other words, that would be my attitude and I think all the members of the committee would feel the same way.

Admiral TAYLOR. I called your attention to the case on the Pacific Coast of the lumber trade, which was a special case, as indicating that each case must be treated on its merits. The fact there is legislation does not mean you are going to have iron-clad rules that must be applied to every type of ship in the same way.

Mr. LECKIE. All the gentleman has said is perfectly true. I will go further and say if there is to be any legislation applicable to us up there, I think the American Bureau of Shipping should be the concern used to do it, as it is about the only recognized concern that can do such things in the United States now. I will say that the

types I am speaking for are a highly specialized type of ship, so much so that I think these gentlemen will admit there is no possible known method of figuring any freeboard for them, because their main deck, which they themselves said must be a reasonable distance above water, is below water. So that they would have to devise something entirely unknown to human existence at the present time; and I say, why do it if it is unnecessary?

Mr. EDMONDS. Why not put a load line on the submarine and then put you under that?

Mr. LECKIE. You might as well.

Admiral TAYLOR. You will have a reserve buoyancy. The underlying principle is a reserve buoyancy, otherwise you could not load.

Mr. GIBBS. You would have a negative load line; that is all it is.

(The committee thereupon took a recess until 2.30 o'clock p. m.)

AFTER RECESS.

The committee reassembled at 2.30 o'clock p. m., pursuant to recess.

Mr. EDMONDS. The committee will come to order, gentlemen. You may proceed, Mr. England. Please state your name and whom you represent.

STATEMENT OF MR. R. W. ENGLAND, 414 KIRBY BUILDING, CLEVELAND, OHIO.

Mr. ENGLAND. My name is Richard W. England. I represent the Lake Carriers' Association of Cleveland, Ohio.

Mr. EDMONDS. Are you a shipowner?

Mr. ENGLAND. I am a master. I have been to sea, at least on the Lakes, for 28 years. I have been a master for 17 years, a ship officer for 24. I have been an owner for 5 years, and manager and assistant manager of the Great Lakes branch of the Shipping Board's Emergency Fleet Corporation during the war. Since that time I have been with the American Shipbuilding Co., have been manager of the Independent Steamship Co., owning 10 sea-going ships. Since March 1 I have been superintendent of the Interstate Steamship Co.

So far as the load line affects the Lake Carriers' Association, who have enrolled the larger type of ore, coal, and grain ships, we have no particular quarrel with the load line if it is properly adapted for the particular trade and ships that are in that service. If the committee finds that they believe a load line will be a means to promote the safety of life at sea, it will not affect many of our ships in reality. We are told that we will be given a freeboard that we will never be able to attain to on account of the limited draft of our channels. So in that way it does not affect us very seriously. However, if you do decide that a load line is necessary and is a good thing, we believe the Secretary of Commerce should not have the power, through all the years after this becomes a law, to change the rules and regulations from time to time as to how it shall be governed, through either the Steamboat-Inspection Service or any other branch of officials whose duty it may be to look after load lines, or anything of that nature; but it should always be controlled by either a good classification society or

naval architects who live in the Lake country and are familiar with Lake ships and the Lake trade. That is no reflection on other naval architects.

I think it will take naval architects and engineers a long time to go up into the Lake country and absorb all the different angles that enter into Lake trade, the special ships, the peculiarities of the Lake storms and the Lake service; but I do believe that the Classification Society, which has a branch on the Lakes, whose men are absolutely familiar with the ships, the trade, and the water and the naval architects who are connected with the shipbuilding companies—and I may mention Dr. Sadler, as he is located in that country, and who is perfectly familiar with all the needs of the trade—men of that type we are not afraid of, and if you do find, as I said before, that it is a necessary and essential thing that we have a load line on these large type of vessels the Lake Carriers' Association will have no quarrel with that; but we do not want anybody going down to a dock and looking at a ship and guessing whether she is overloaded or underloaded or anything else. We don't want the customs department or the Steamboat-Inspection Service or any other branch of the Government service given any authority to pass on the question as to whether a ship is overloaded or not; we want it done by a properly constituted board that is qualified in every respect. That is the main thing as we see it.

As regards present conditions, the seamen's act has a clause in it that the crew may at any time protest that a ship is overloaded—that is, if they think she is overloaded—and there are facilities for taking care of that very matter, and a seaman, you may rest assured, is perfectly familiar with every clause that is in the seamen's bill.

Mr. EDMONDS. Have they ever taken advantage of that clause in the act?

Mr. ENGLAND. I don't know as to that on the Lakes. I was with the Shipping Board two years and a half, and I rather lost track of that. Whether they have done it during the last five years I can't say. I had an experience of that kind myself last fall at Montreal. The crew of a ship that I was marine superintendent of went to the consul and filed a protest that the ship's cargo was not properly stowed. The result was that I had to get the port warden down to give us certificates of seaworthiness, that she was in good shape. They were not satisfied with that and they objected to the port warden's approval. It developed that the port warden at that port of Montreal was a former master in the old Allen Line, now the Canadian Steamship Co., and he had been there a good many years, and I think without question he was a perfectly qualified man. Then I got Lloyd's surveyor to come down and inspect the ship, and he just suggested that we put some hay on top of the pipe. Then he gave a certificate, and then the consul let us go, and that was the first knowledge I had that that clause was in the seamen's act.

Mr. EDMONDS. How long were you delayed on that occasion?

Mr. ENGLAND. Two days. And we were perfectly helpless, because we could not get a clearance for Philadelphia, where the ship was bound, and unless we had that clearance we could not get through the immigration office with the crew of the ship or anything else.

Mr. EDMONDS. The reason I asked you is that I offered an amendment to the seamen's bill by which it would be required that two of

the officers join in with the men engaged of making a complaint like that.

Mr. ENGLAND. This was signed by nine men who composed the sailors and firemen, and I think one cook's boy, if I remember right. There were no officers in it at all. The officers thought it was a huge joke. It doesn't require any officers to-day.

Mr. EDMONDS. The amendment which I proposed required two officers to come in with the men. I thought that would make a fair proposition.

Mr. ENGLAND. As an actual fact, it was all done so that the sailors could get something to drink. That is the real truth of the thing. The ship was going right straight through, bound for Philadelphia, just as she was, and when they found that they were not going to stay there at all, they cooked up this scheme to hold the ship; and as a matter of fact the ship left at 6 o'clock in the evening, I think, about the 30th of November, a cold winter night in that latitude, and at least 75 per cent of that crew were under the influence of liquor, drunk all through this occurrence.

Mr. EDMONDS. A good many people besides sailors would hold up a ship for that.

Mr. ENGLAND. Yes; I think so.

Now, I do not know that I want to say much more, Mr. Chairman. The whole question is that we want a body to pass on these ships, if it is deemed necessary to have a load line, that will steady the route covered, the kind of cargo carried, the period of operation, and who are qualified to pass on where the load line should be placed; not captains or sailors, but naval architects of standing and reliability who can use rules properly. That is the whole thing in a nutshell. I do not know that there is anything more I want to say.

The thing of throwing men in jail for violations of this provision, of course, is a very dangerous and bad thing. You will always then have to show that the owner was aware that the ship had left loaded beyond her mark, but I can not agree with that, of course.

Mr. EDMONDS. Don't you think that provision ought to pass? The jails are fairly empty, you know. We have plenty of room, and we ought to get some blue laws or some kind of laws to help us out. [Laughter.]

Are there any questions, gentlemen? I think that will be all, Mr. England, unless you wish to say something more.

We will hear you now, Mr. Goulder.

STATEMENT OF MR. HARVEY D. GOULDER, CLEVELAND, OHIO, COUNSEL FOR THE LAKE CARRIERS' ASSOCIATION.

Mr. GOULDER. Mr. Chairman, I shall see our people to-morrow, and I want to see if I may report certain things—whether I have got the right idea.

The subject of this bill, as I gather it, is the load line. While that goes into the question of structural strength and type and that sort of thing, I gather that there is nothing in or to be in the bill that can be construed to require a ship to have any classification of a classification society or anything of that kind. Many of the ships are not classified for the owner's own reason. Of course the structure of a ship, the construction, everything entering into the question of load

line, is there, and that will furnish some information, but I do not think that this is to be a proposition that you have got to get that through any classification society, or that the Secretary will have that to deal with at all.

Mr. EDMONDS. As I understand the bill, there is no requirement of the classification society at all. It is simply as an assistance.

Mr. GOULDER. Of course, as you are familiar with, we have ample governmental provisions governing the construction and the engines and all that sort of thing, and so far as we are concerned, while you might say the suggestion might be made that that is confined to steamers, practically all of our through trade—I think I might be justified in saying all—is done in steamers, and they are all under that governmental control and regulation.

Another thought that I wish the committee might have in constructing this law, and just adding a word to what Mr. Gaines said, having had experience as an attorney, I have been discussing with him the question of these laws. There is involved in every law which carries a benefit the question of its penal character, and it is not necessarily to be classified as a criminal law, but it is penal in its character and must be rather literally and strictly construed. Now, you have in section 8, dealing with penalties, the provision that if the owner or master of any vessel subject to this act and regulations established thereunder shall permit her to depart from her loading port or place, etc., without having complied, etc.

I am afraid that there you get into a question of something like an implied warranty of seaworthiness in a charter or a bill of lading, or in a voyage policy of insurance.

Mr. EDMONDS. Doesn't that only apply to the mark on the ship?

Mr. GOULDER. Yes; but what I am thinking of is this: The penalty should be confined to cases where a man purposely and willfully did it. He ought to intentionally do it—willfully do it. It may be said that it could not be done without purpose and without willfulness. All right, but if by accident it was done we do not want to fine a man for some oversight or something of that kind.

Then you have got another thing in that. Here is a minor question, and I think Mr. Gaines spoke of it—you load a ship, as we load our ship, in the night lying at a dock, and the disturbance of the water may be a few inches, and they get their marks by electric light at night. They have all the appliances for dropping an electric light over the bow, over the stern, and getting the marks; sometimes there is a possibility, perhaps, of getting an absolute distribution, but sometimes there is a great deal of trouble about loading the ship. Now if the master of a ship got his ship loaded half an inch too much he would be guilty and would have to pay a fine under any and all circumstances. The bare fact that, even if he did not know it, or if they could not tell it, that the ship was below the mark, would carry a fine.

Now you will find, when you come to deal with the more serious penalty here, a $1,000 fine and a year's imprisonment, at the end of C in section 8, that he "shall be guilty," unless her going to sea in such condition was, under the circumstances, reasonable and justified, and that he shall be punished by a fine not to exceed $1,000 or by imprisonment not to exceed one year, or both. I think that language ought to be preserved with reference to neglect or design.

If it goes into the hands of the law officers of the Government, if it goes into the hands of the district attorney, who is there for the Government, and necessarily must have the intention to administer that law properly, there should be an element of elasticity that I as a lawyer—and I think Mr. Gaines if he were here would support me in that—that that is what he meant—that there ought to be some elasticity of that kind in dealing with these questions. It does not help the rogue and it does protect the honest man.

Another thing of the same character—I am not giving a full list of this, but here is this in section 6:

> It shall be the duty of the master of every vessel subject to this act and the regulations established thereunder, etc., before departing from her loading port or place for a voyage—

Well, this is by sea. I do not care for that. I was going to say in reference to that, we have boats, you know—all of our boats make short trips, anyway, and we have a good many ships between Cleveland and Buffalo, Cleveland and Detroit, and other lines, that make daily trips, and there is no use going over and over again about this load line on these ships for every voyage.

There are several things of that kind that should be attended to.

Now we want to segregate the Lakes. Everybody agrees to that, whether we have a load-line bill that covers the Lakes or not—and we are not objecting to that, to the principle of the thing, but we are only interested in having that right and continuing the segregation, such a segregation as is recognized by this general committee in assigning a branch to the lakes, for reasons which are perfectly fair and apparent to everybody. And we give a pretty broad authority, as you see, if this is followed. The Secretary of Commerce is to make regulations, though none of us know who will be Secretary of Commerce next year, and no law should be passed giving the Secretary of the Treasury or any other head of a department carte blanche authority and discretion, because it depends somewhat on the human equation all the time, how busy he is, and his familiarity with it and all that.

Mr. EDMONDS. Yet that is done in all laws.

Mr. GOULDER. That is done in all laws, Mr. Edmonds, but my experience and occupation in reading about that is that it is done with as much care as possible, and therefore this was sketched out here. We could have a law of this kind; we could have some specific mention of the Lakes, if you please, and in this giving of the authority to the Secretary, I think you could improve your bill, when you come to fashion it, by taking in such as are noted here.

Now, for our Lakes, these would be applicable: Route covered, kind of cargo carried, location of cargo, period of operation, condition of hull and machinery, type, dimensions, design, weight, and so forth. I do not speak of those as things that should go in, but that something of that kind should go into the law—precisely the thought of this committee that Admiral Taylor reported for this morning, that those things should be taken into account. That is the purpose, the thought, the wisdom of this committee of men—and there could not be a better committee in the United States than that committee that he headed—on a subject of this kind, and to have that incorporated into law, made a feature of the law—I think that could be sketched out and not be obnoxious to anybody.

Mr. EDMONDS. Certainly; I would not object to that myself.

Mr. GOULDER. I would like to have, to reserve the right, if I may, to go over this and make some suggestions of that character; understanding, Mr. Edmonds, that we are not disposed in this matter to be trouble makers; we have not anything up our sleeve; there is not anything like that; we have no different idea about this than you have in your committee, or the committee that reported this bill. We are for anything that is right. If it is thought wise, with Canada having no such bill, no such law—we don't care much about that—that is something to be considered, perhaps, and raises an objection, but having the law, we want that law that will insure, as far as a law can—you can not get a law, nobody can get a law on a subject of this kind that will provide for every contingency and all that sort of thing; all you can do is to cover, as intelligently as possible—to have the law so framed that it will best, on analysis and criticism, apparently carry out the idea expressed by the committee this morning, which is an expression of the thought that has run through this all the time since its inception, that those along the Mississippi River and in other places that are not involved at all in this international feature; that are involved with only one single thing about this, and let us keep our sense of proportion—the only thing we are interested in, so far as the Lakes are concerned, is the proper measure of safety, and we do not have to consider what other people are doing in other countries; we can adopt what they have done, or we can improve on it, or do what we please about it, of course, because we have not got to mix up with the thing and have any agreement or any treaty with them.

Mr. EDMONDS. Suppose you take the bill along with you and draw up just what you want and send it in to us.

Mr. GOULDER. I would be very glad to have the privilege of doing that, and doing it with the idea, Mr. Edmonds, that I do not propose to draw the bill and send the bill here as something that is in any sense perfect, but to set out what looks to us as something that ought to be carefully considered, and perhaps might be just the thing.

Mr. EDMONDS. It will be carefully considered. We will be very glad to have it. Just take it section by section and give your ideas about it. Go as far as you want to on it. Take it up on the Lakes or the ocean, just as you choose.

Mr. GOULDER. I do not think it would be a fair thing for me at all to attempt any regulations or the formulation of any bill with reference to the ocean, because I have no special knowledge about that. That would only be my idea, taking a broad view of it. But upon the Lakes, on the other hand, it is not only what I may know about it, but what our people up there may know, such men as Capt. Newman—and we have a lot of such men up there in the business. We hope that you will just give us credit for wanting to be perfectly fair about the thing and ready to provide for safety, for safeguards.

Our ships are an investment. I expressed yesterday at more length than I intended that we are doing a very big business up there. We are doing it for the benefit of the entire country, and I get very, very tired of listening in discussions on all sorts of subjects touching ships to remarks predicated upon the idea of the shipowner, of the

advantage to the shipowner, as if he were trying to "work" somebody for something. He is not doing that. He is engaging in the business, and if that particular individual were not there, that business would be there just the same, conducted somehow. He gets into it, and it is a business that has got to go on, and no business is going to go on unless it is a profitable business. Nobody wants to put his money into it—you would not and I would not—unless we see some fair return for the money. You have got those various elements to consider.

A ship is made to carry a certain load, and it is idle for a man to say that you can load a ship down to the point where you devote your full thought to how much that ship will float in still water. That is not right. On the other hand, it is equally futile to talk about a ship as simply a place for some men to live and ride from place to place. You have got to get the commercial element; you have got to get all of these things in, and we do our work best, more satisfactorily to ourselves and for the greater benefit of everybody concerned, if we just keep that law of proportion just as well as we can, to get that as well as we can, and let a ship carry all that she may safely and properly carry, having regard to the safety of the ship, the safety of the cargo, the safety of the people on board, the safety of the investment, and of the whole thing.

It all comes down to what is so simple for me to say, but what any naval architect or any man who has ever had occasion to give an order for the building of a ship knows so well—the more he knows of the business the better he knows it—the complications, the difficulties that lie in the way of even generalizing on such a subject as this. When you come to generalize on a subject like this, you can not pass a law simply declaring a principle. You can not do that. You have got to go further. There has got to be some machinery, and we have all got to think of the things involved in this, and anybody who has any responsibility by way of advising or acting has got to think of all those things and see to what extent in our generalizing we can take care of particular things.

We want to exempt extirely such ships as Mr. Leckie spoke about this morning. You don't want to do any injustice to them or to anybody else. Whether it is better in the law to exempt them or better to leave that to the constituted authorities—I think we can generalize on these various points with propriety and without spoiling the effect. In other words, I think that we can make a spoon without spoiling the horn, but it is very easy to spoil the horn.

Mr. EDMONDS. Well, draw up just what you think of the different sections and send that down to us and let us get it by next Friday, and we will incorporate it in the hearings.

Mr. GOULDER. Very well, sir.

Mr. EDMONDS. Now, Mr. Pendleton, we are ready to hear you.

STATEMENT OF MR. FIELDS S. PENDLETON, OF NEW YORK, N. Y., PRESIDENT OF THE ATLANTIC CARRIERS' ASSOCIATION.

Mr. PENDLETON. Really, Mr. Chairman, I hardly know how to begin.

Mr. EDMONDS. Just start off any way you wish.

Mr. PENDLETON. It should not be necessary, Mr. Chairman, for an American shipowner to come before an American Congress to try to stop burdens being placed on American ships in this time of depression. You ought to try to find ways and means to help American shipowners instead of trying to load them up with another burden; for you want to remember that there isn't a man on this committee—and Mr. Greene has been here for more than 20 years—that ever voted for a bill that is now a law that helped the shipowners. That is something to say for the record of a committee of Congress in 25 years for an industry that everybody has been talking so much that they wanted to have helped. There has been no statute placed upon the statute books of this country, that is now a law, that has benefited or helped the American shipowners in the operation of vessels in competition with foreigners, and you now propose to load up the American vessel with another burden.

First, though, I want it to go into the record that I do not represent any foreigner and that I do not represent any foreign-owned tonnage; and I further want to say that I have been coming down here for 27 years, and I never have been here representing any of that class of tonnage, and I never shall unless you force us to it.

When this bill was before the committee before no one knew about it, and I am sure I did not know—and I represented the organization, the Atlantic Carriers' Association, that handled the shipping on the coast from Eastport to Galveston, Tex. We were not notified. The bill came out of the committee and went on the floor of the House, almost without objection, and went over to the Senate committee and was reported out of the Senate committee unanimously, with no hearings; went on to the floor of the Senate and was on the calendar before any of us knew anything about it. I happened to be in Washington one day and went into the committee room, and Senator Jones said, in talking to him about it, that he did not understand it; that it had passed the House and he thought it was all right, and he said to me, "You go and see Senator Fletcher about it; it is his bill."

I did. I saw Senator Fletcher and he asked me to write a letter to him, and I am going to take this opportunity to read it, because, as I stated then, and I say it now—I will just read it to you:

NEW YORK, *October 18, 1919.*

Hon. DUNCAN U. FLETCHER,
United States Senate, Washington, D. C.

MY DEAR SENATOR: Appropos of our conversation of Thursday, I write to ask if you would have the load-line bill, Senate bill 575, recalled to the Commerce Committee, so that the owners might be heard, because, in my judgment, it is a matter that means a great deal to American shipping, and is too important a matter to be enacted into law until American shipowners have an opportunity to present their side of the case.

To my knowledge, this matter has been before Congress a number of times. I am quite sure Gen. Grosvenor was chairman of the House committee when it came up, and after a hearing and protest by the owners, it was turned down. We took it up with Senator Frye and Senator Mallory, and they were both against the bill, so we did not have much worry in the Senate, as they were the leaders on both sides in the Commerce Committee on shipping matters.

We believe that the loading of a ship should be left to the master. He knows his ship, he knows the kind of cargo he is carrying, and he knows the voyage he must make, and whether the weather will be fair or stormy in the latitudes that he goes into.

A proper load line from Pensacola to Habana in January is not a proper load line for the same month from Pensacola to Boston, for on the latter voyage a vessel would

ice up, and sometimes get from 300 to 500 tons of ice on her hull and rigging. Furthermore, a load line from Hampton Roads to Boston in the summer time is not a proper load line from Hampton Roads to Boston in the wintertime. The master of the ship decides all these things, knowing how his ship performs in gales and storms; he is risking his own life and has more at stake than anybody else. He is supreme in command, and it is not right to dictate to him any more than it is how he should handle his ship in a storm.

You could not load a ship any deeper with a load line on a short passage, when the weather is calm, than you could on a long passage where you will have storms. One great advantage in not having a load line is that the master, by being able to use his own judgment, can carry more cargo at times than others, and in that way even up, so that in the end he can carry more tons of cargo and safer than if he was loading to the same draft at all times. This is the method of all prudent and skilled shipmasters. I can show you that vessels range from 10 to 20 per cent difference in the loading of dead-weight cargoes on different voyages and at different seasons of the year; and it will be time enough for the gentlemen who urge this legislation to show a single vessel that was lost by reason of being overloaded, "that did not have a load line"—

This is something like two years ago. They haven't shown it yet. If they haven't had time enough, we will give them two years more.

Senator, we have too much governmental regulation on shipping now, too many delays for inspections, time lost in making applications, in getting inspectors to come on board of ships, in making their reports and in filing them in the customhouse, and going through the routine of work in order to get ship's papers, so that they may clear. All of these delays are costly.

The cargo-carrying trade of the future will be fuel, and Hampton Roads is going to control the world. A load line that permits a ship to load down only to a certain point at Hampton Roads in the summer time for a voyage around Cape Horn, or the Cape of Good Hope will make her lose from 600 to 800 tons of cargo, for that is where the ship will get her stormy weather in their winter season. She will be lightened some 600 to 800 tons before getting to those points, and consequently would lose the freight on this amount of cargo, meaning from $20,000 to $30,000 on each voyage.

It is important that our ships be able, owing to the high cost of fuel, to take all of the bunker coal possible when leaving our ports. We are continually lightening the ship every day from 25 to 50 tons. We need this to overcome the excessive bunkering charges in foreign countries.

A few years ago a merchant in Europe or Africa could buy a 5,000 ton cargo of coal at Hampton Roads for $9,000, or as low as $1.80 per ton. To-day for that same cargo he must pay $175,000, or $35 per ton, cost and freight, before the ship sails. On his first cargo he would carry the coal in his own ship and the freight would be paid in Europe, while now American vessels have just begun to take away this trade.

The coal trade is the main thing that has built up England's shipping business. She exported before the war 87,000,000 tons of coal and last year 27,000,000 tons. Bunker coal to-day in England is more than $25 per ton, while ours at Hampton Roads is $7.50.

Here is where I get you on the prediction:

We shall need within the next 18 months all of the advantages that we can get. The shipping situation is no longer a fight of individuals and corporations; it has narrowed down to a fight of nations—Great Britain against the United States, with Japan crawling slowly for the control of the Pacific. England has never failed to protect her shipping at any cost, and since she started subsidies in 1839, figuring interest at 6 per cent, she has paid up to the beginning of the war her shipowners $3,500,000,000, which was more than her shipping was worth at that time.

I might say it was more than twice what it was worth.

It is a fight for freight to a finish. I predict that within 18 months we shall see the lowest freight rate, taking into consideration the cost of operation, that we have ever seen.

Right there, Mr. Chairman, that was in October, 1919, when everybody was saying that we could not catch up with the shipping in five years, and that these freight rates were going to be so high.

Mr. EDMONDS. It shows that great minds run in the same channel. I agreed with you at that time.

Mr. PENDLETON. I predicted that within 18 months we would see the lowest freight rates, taking into consideration the cost of everything, that we had ever seen. I said then:

There will be more ships than there are cargoes, and whoever can do the business the cheapest will continue. The Englishman has always had the business and will fight hard to hold it. We can not expect to drive them out of business on the same basis of profit that we can attract new American capital into it. With more ships than cargoes, the freight rate will drop to a point that makes it unprofitable for one or the other to continue shipbuilding. The question is, will Great Britain be able to build and operate cheaper than the United States? If we have some little advantage now in the load line, we can not afford to give it up.

Now, I have never seen any successful answer to that proposition yet, and that letter has been in the Congressional Record since November 3, 1919. I challenged them then; I said to Senator Jones, "If you can find one ship that did not have a load line that was lost because she did not have a load line, I will hold up both hands to have a load line put on." But they have not been able to find it yet, and I say that it is time, when this committee is going to add burdens to our shipping—it is time for them to look into these things and find out why it is that these people with foreign interests come here to try to saddle us with such things.

This gentleman over here [Mr. McDermont] from the interior of New York—I liked his oratory, his Scotch accent is so pleasing, his voice comes to your ears so welcome that it would make him a great sales agent for the Shipping Board to sell these ships to the people of the interior. His long experience on the Clyde in British shipyards makes him an admirable advocate of the good qualities of these Shipping Board vessels, but when it comes down to a load line, gentlemen, we want to trust the men that have been to sea all their lives. I think I know about it, for within a 100-mile circle of where I was born it has furnished more American shipmasters for the foreign trade of the United States than all the rest of the United States, and I know how they feel about it. I have been on every State and Province of this coast from Cape Breton to Mexico. There isn't any hundred miles, I think, that I have not been on, as well as France and as well as England, floating ships that have been in trouble and distress, and when the records of British Lloyds and the Bureau Veritas show that our ships are the safest in the world now, what is the reason for asking for a load line? And it is carried right there in the statement that I made to Senator Fletcher, which took the bill back to the Senate committee, and it stayed there, and they did not vote it out.

Mr. EDMONDS. Mr. Pendleton, if that statement is correct with regard to the safety of our ships, why is it that the British insurance companies are asking more insurance on our ships than they do on their own?

Mr. PENDLETON. I don't think they do.

Mr. EDMONDS. Well, I have had the schedules and I know they do.

Mr. PENDLETON. Not in the same trade.

Mr. EDMONDS. In the same trade—from Alexandria, Egypt, to Liverpool. I had the schedules and looked at them, and American ships took, I think it was, an eighth or a quarter higher.

Mr. PENDLETON. They may be on some special ships.

Mr. EDMONDS. No; that was a circular rate, showing American ships and British ships were given a certain rate, and others a quarter or an eighth higher.

Mr. PENDLETON. Of course, British Lloyd's have always been very favorable to British shipping. The Peninsula & Oriental Steamship Co. is headed by Lord Inchcape, and on that line there are 12 members of Parliament, or ex-members, and if we should have 12 Members of Congress or 12 Senators on a shopping company here, there would be an awful commotion in this country. We have not been educated up to it yet.

The whole fiscal policy of Great Britain is fixed to help their shipping; ours has always been to help our manufacturers and kill our shipping. We have the only industry that is not protected, and I say that it is important that the old discrimination, duty policy or the policy of protection for shipping, must go into this present tariff bill or you will lose the shipping that you now have.

Mr. GAINS. Mr. Chairman, might I ask a question? Can anyone present tell me where I can find what legal relation exists between Lloyds and the British Government, or any of the departments?

Mr. EDMONDS. Do you mean Lloyd's register or do you mean Lloyd's insurance department?

Mr. GAINS. Well, take Lloyd's insurance department in this connection.

Mr. EDMONDS. The insurance department is entirely separate and distinct from the register.

Mr. GAINS. Yes, I know.

Mr. PENDLETON. British Lloyd's is a large organization of shipping chartered by Parliament, and it is what I have been saying to Senators and Congressmen for 10 years the United States must come to. I tried to get Judge Alexander to introduce a bill to give us an act authorizing people to do business on the same basis that Lloyds do business in London, which is this: That each member of Lloyd's puts up security of £7,000, equivalent ordinarily to $35,000, and they are permitted to insure a certain percentage of that amount on each risk, and it is well known that they make money, and do, perhaps, in the Lloyd's of London, 60 per cent of the business of the world. They do it on a basis of about 15 to 20 per cent profit.

Now, our insurance companies in this country, it is well known that they figure that they pay 40 per cent out of their premiums in losses. If they charge 10 per cent, it costs them 4 to carry the loss. The rest of it goes to large salaries and operating expenses and commissions. But Lloyd's does it for less and Lloyd's can carry a risk for 6 per cent that they will ordinarily charge in this country 8 to 9 per cent.

Mr. EDMONDS. I think, if you will let me speak on that just at that point, that the English insurance companies, the real insurance companies, and the American insurance companies are virtually organized on the same basis—the regular insurance companies. Their expenses run from 30 to 40 per cent. That includes commissions and other expenditures. The insurance, as Mr. Pendleton says, probably runs from 40 to 50 per cent. The balance is overhead and profit. Now that is the result of our investigations generally and is in our books published and at your command.

Mr. PENDLETON. I have followed them for years, for 25 years. The Atlantic Mutual Insurance Co. last year collected in premiums $8,800,000, and they paid out $2,169,000, 25 per cent of their premiums.

Mr. EDMONDS. How much did they return to their stockholders?

Mr. PENDLETON. I guess 40 per cent. It is usually 40 per cent. They have made enough in the last two or three years to pay off their scrip for five years, and they have only one year scrip out now, while ordinarily I think it is six years they keep back. They are a mutual company, you know.

Mr. EDMONDS. Well, of course they have got expenditures, and they also have got costs, and they have got to pay commissions for business when they get it. You go to a broker and they have got to pay for that business.

Mr. PENDLETON. No, sir.

Mr. EDMONDS. Don't they pay commissions?

Mr. PENDLETON. No; they are one of the few good companies that deal direct with their clients, and there are exceptions, I guess, in the cotton trade, for instance, where they allow a broker something like 2½ per cent for bringing in the business, but principally the merchant gets the scrip back.

Mr. EDMONDS. Then, of course, any profit they get they will charge their customer.

Mr. PENDLETON. But it shows this, that the rates that they charge were four times what they paid, and of course if their losses come up to that, they would not pay any dividends. That, of course, is necessary. In other words, in making the dividend they make it from the policy, and the Atlantic Mutual Insurance Co. has the best reputation of paying their just losses, I believe, of any American company.

Mr. EDMONDS. You did not quite answer Mr. Gains's question.

Mr. PENDLETON. Lloyd's is about like a stock-broking establishment where a lot of men sit in that establishment and take insurance. They have under them a lot of subscribers. It is the same as a man buys a seat in the stock exchange. They are just an insurance company under the law of England, just the same as any other insurance company, and subject to such supervision as the law gives them. They are not a portion of the English Government.

But, Mr. Chairman, I think you will do the biggest thing that you have ever done in your life if you pass a law for the District of Columbia so that we can start a Lloyd's in New York the same as they have over there.

Mr. EDMONDS. But they won't allow you to do it if we do start it in the District of Columbia, because your insurance man over there—what is his name—he won't have it.

Mr. PENDLETON. A Federal law will do it.

Mr. EDMONDS. We can not pass a Federal insurance law. A law of the District of Columbia simply becomes a law for the District of Columbia, and you have got to enter into other States by law, in accordance with the State law. Insurance is a service, not a commodity. We have gone into that as thoroughly as we possibly could. We have talked all of these questions over back and forth and up and down and every way.

Mr. PENDLETON. You mean to say that the Federal Government can not pass an act that would stop a State from interfering with the insurance company—that State rights would overcome?

Mr. EDMONDS. No; we can not under the decision of the Supreme Court, in connection with insurance. If it was a commodity, under the commerce clause of the Constitution we can, but the courts have continually decided that insurance is service and not a commodity.

Mr. PENDLETON. I had a ship a short time ago—I want to tell you a little case that I had come up with one of these insurance companies. I had a vessel that I loaded for Marseille, France, and a merchant came to me and said, "I have got a large quantity of staves that I want to ship." He came down to see me and wanted to ship them on deck. I said, "Yes; I will take them at so much." He said, "All right." We made the contract and he went up town to the insurance company to get his risk. "Oh," they said, "we want 20 per cent on deck for that risk." The man came down to me and threw up his hands and said, "I can't pay that; I can't ship that cargo. They want 20 per cent." I says, "Don't worry about that; I will take the risk myself. I own the whole ship. I haven't got a cent of insurance on her. They offer me $350,000 for the vessel. I will take the risk myself." He says, "All right." Then he went back to the Boston Insurance Co. and says, "Pendleton will take this risk for 10 per cent on deck." "Oh," they said, "he can't do that. We will have him up in Albany in jail. We will send him right up to Sing Sing. He is under State laws here and he can't insure property on his own vessel." "Well," I said to him, "what do you want me to do? I will put up a certified check for this cargo and I will own the cargo until it gets to Marseille; then you give me the check back and take the cargo. If you want to do that, all right, and if it can't be fixed any other way, we will do it."

Then I told my captain, "Captain, see that you get this cargo over there all right. Don't leave it." Nineteen days after I got a cable from him saying that he had arrived over all right, and that she would have come in a little quicker but he had to heave to a couple of days in the "rolling forties" to save that deck load that I had charged him to carry. And I took the 10 per cent, and that was what they wanted on a 20-day trip—20 per cent.

Mr. EDMONDS. But you haven't got a man, an insurance inspector in the United States to-day, that is more of a stickler for the old American system of insurance business than your man in the State of New York, and he has been one of the very few men that from the start you had to talk to right along in order to try and get him to see some liberality, to make some liberality in the insurance laws. We hope sometimes he will see the light, but he hasn't seen it yet, and if we were to start a Lloyd's in the District of Columbia, the operation of that company would be confined distinctly to the District of Columbia, and there is a question whether Mr. What's-his-name up at Albany would not object to the policies that were taken out and placed in New York for that Lloyd's.

Mr. PENDLETON. Have you looked into that carefully to arrive at a definite conclusion?

Mr. EDMONDS. Am I right on that, Mr. Morris?

Mr. MORRIS. Absolutely.

Mr. EDMONDS. You followed that a little bit. And we have tried to persuade him—I have talked to him personally. He is a very fine fellow; no question about that—a mighty nice man, but he simply likes the old American system, and that is what he banks on. You remember, and I remember too, distinctly we attempted to form a Lloyd's in New York and had to stop it.

Mr. PENDLETON. Well, they have a Lloyd's there now.

Mr. EDMONDS. But it is simply an insurance company, not a Lloyds. They have recently started. They had a lot of good subscribers to start a Lloyd's in this country, in the city of New York, and they could not do it. The commissioner would not allow it, and I am frank in saying that we hunted every way we could find to pass a national law.

Mr. PENDLETON. Can't you do it in Jersey? You can do most everything in Jersey.

Mr. EDMONDS. I know; but we can not pass a national law. There may be a day coming when we can, but we can not now—or even in Arizona.

Mr. PENDLETON. I know of a case where a man married twice in New Jersey and they could not touch him, and I thought they could do most anything there.

Mr. EDMONDS. We would have passed a national law if we could, but we could not do it. If you can find a legal status for a national law that will be accepted by the insurance commissioner of New York, I will come down and see you mighty quick.

Mr. PENDLETON. I will bring Lloyd's act to you.

Mr. KING. The insurance situation does actually affect our commerce in foreign countries.

Mr. EDMONDS. There is no question of that. We have got the law now for the District of Columbia.

Mr. GAINS. My offhand curbstone opinion would be that the decision that it was not within the jurisdiction of the National Congress to pass such a law has been a little technical and narrow.

Mr. EDMONDS. I have looked up every decision myself. I am not a lawyer, but I have had our experts go over it.

Mr. GAINS. Please say that you "have not been admitted to the bar." [Laughter.]

Mr. EDMONDS. I want to say this, that it was the desire of everybody connected with the insurance investigation to pass a national law. There were no drawbacks on the part of anybody that came down here. Everybody thought it was extremely desirable to pass a national law, but we could not do it under the decisions of the Supreme Court. Judge Hughes did lean toward it a little bit in one decision, toward making insurance a commodity instead of a service, but he did not get over far enough for us to use it. That was the last decision of the Supreme Court that I know of.

Mr. PENDLETON. Well, now, it is particularly fortunate that these gentlemen that have made such an extremely good search to find ships that have gone down—all of them, I guess, are in the Steamship Owners' Association, and you noticed yesterday that they were all tatooed with load lines, and still they are the only ones that can be shown that have gone down, and they have not been able to show a single ship that went down because she was overloaded and did not have a load line. There is the story. You heard Mr. Furuseth,

the sailor union advocate, who is against this bill, say that he stood with Pendleton and Crowell.

Mr. EDMONDS. I thought he was for it before he got through.

Mr. PENDLETON. Oh, no. He said he stood with us.

Mr. EDMONDS. I thought he was for it, though, before he got through.

Mr. PENDLETON. Oh, yes; he had to say something, because it has always been presumed it was a question of safety, but the safety comes in having the old reliable shipmaster that knows his ship, knows the kind of cargo he is carrying, knows where he is going, knows the storms that he must meet.

Mr. HERRIMAN. Is the captain always allowed to use his own judgment in loading a ship?

Mr. PENDLETON. I never knew one that was not. I never have known one that was not, and will challenge the production here of one case where an owner ever gave an order contrary. I have had that flung at me a lot of times and I will challenge you to bring here a man that says that he was ordered by his owner to overload his ship.

Mr. HERRIMAN. I was asking you the question.

Mr. PENDLETON. I want to say that is the answer. They will ram that down our throats here, and I tell them to bring them right on. That is why I want to see some shipmaster here. The Maritime Exchange of New York, some 500 members, filed protests and petitions in the Senate Commerce Committee against this bill. Every man that owns a vessel in Philadelphia is over there, in the Senate committee, on record against it. I don't care what the Philadelphia bourse says. I don't think they own a dollar's worth of shipping; and I say, gentlemen, this is a matter for shipping people to decide, and not men that haven't any interest in it.

Mr. GIBBS. May I ask a question?

Mr. PENDLETON. Yes; I will answer it.

Mr. GIBBS. I wanted to ask the chairman whether the Maritime Exchange of Philadelphia is on record in opposition to this bill or in favor of it?

Mr. EDMONDS. I have never seen and personally I do not know. They may have filed a brief over in the Senate committee. I want to say that I have not got the letter here now—what is the name of that association? There was a petition here in favor of a load-line bill—not this load-line bill—from some association. It will be in the testimony. I gave it to the stenographer this morning to put in.

Mr. GIBBS. It was my understanding that they were in favor of this bill and had so advised you by telegraph.

Mr. EDMONDS. The representative was down here yesterday, Mr. Bernard of Philadelphia.

Mr. PENDLETON. Mr. who?

Mr. EDMONDS. Mr. Bernard.

Mr. PENDLETON. Who is he?

Mr. EDMONDS. He has charge of the Lehigh Coal & Navigation Co. He is a shipping man, an old seaman—Capt. Bernard.

Mr. PENDLETON. Did he file in favor of it, you say?

Mr. EDMONDS. He filed for an association, I think, the National Board of Steam Navigation.

Mr. PENDLETON. Well, I guess so.

Mr. EDMONDS. Mr. Bernard at present is in charge of the Lehigh Coal & Navigation Co., I think it is.

Mr. PENDLETON. I think he is against it, isn't he?

Mr. EDMONDS. No; he is in favor of it.

Mr. MORRIS. I would like to ask Mr. Pendleton if he knows of any case where a vessel marked with a load line, such as Lloyd's, has been lost by reason of having been loaded to but not in excess of Lloyd's freeboard marks?

Mr. PENDLETON. No; I do not. I am not interested in foreign vessels. I do not trade in foreign vessels.

Mr. MORRIS. I was not discussing foreign vessels. I asked about any vessel, American or foreign. That has nothing to do with it. I asked whether you knew of any vessel under any flag which had been lost by reason of having been loaded up to but not in excess of the freeboard assigned by Lloyd's or similar classification societies?

Mr. PENDLETON. Yes; there are four of them that went out from Norfolk last winter.

Mr. MORRIS. Will you name them?

Mr. PENDLETON. I will give you the names of them. Four of them are missing right now. It was in my papers. I wish I had my papers here. I went away and left them and I haven't that here. But there are four of them. They are reported in Lloyd's list. Four of them went out in the great transatlantic storm from Hampton Roads. One of my schooners, the *Virginia Pendleton*, was there at that time, bound across the Atlantic, and the captain says to me, Capt. Rickson, "Look at those steamers there. Don't you call them pretty deep?" I says, "Yes; they are loaded too deep." There was one Greek and two Norwegians, and I think there was one Spanish. I have their names in New York, but I haven't them here. They all had the load line on and were loaded down to it at Hampton Roads. That was last January, and they went out that way.

Mr. MORRIS. Did they load in accordance with or below the load line? Were they loaded in excess of the load line?

Mr. PENDLETON. I saw the load lines, and I made the remark to my captain—he was lying off Sewells Point—and I says, "Those steamers look deep. There is the load line in the water, and they are going North Atlantic."

Mr. MORRIS. That is not an answer to my question, Mr. Pendleton, I asked you did they load in excess of the load line.

Mr. PENDLETON. I am telling you there were four of them there that went out at the time my schooners did.

Mr. MORRIS. But you do not know whether they were loaded in excess of the load line?

Mr. PENDLETON. They were loaded just into the load line and there were four of them that went out at that time going transatlantic, and there never was one of them heard from.

Mr. MORRIS. At the time you saw them they were loaded just to their load line? You do not know how much in excess of that they might have been loaded at the time they sailed?

Mr. PENDLETON. Oh, well, no; I do not know that; but I know they were loaded out in the harbor there, and I know that they were loaded deeper than ordinarily prudent men would load going North Atlantic. They were loaded too deep to go to sea.

Now, I had another case right there, the steamer *Rock Island*, a new ship from the Shipping Board, delivered over to me to go down

to load for Gibraltar. I put Capt. Warren in her—a man that had been sailing for my concern for 40 years. He went down and loaded her at Norfolk. I made up an estimate of what the Government said she could carry, what they designated as so many tons, and chartered her to a merchant for that number of tons. He loaded her, kept loading her down, working at night, as they do at Newport News and Norfolk and Sewells Point, hanging a lantern over the side to get her marks. He loaded her as deep as he thought the vessel ought to go to sea in the wintertime in the Atlantic and called me the next morning on the telephone and said he was 300 tons short. "Well," I says, "Captain, how is the ship?" "Well," he says, she is deep enough to go on a trans-Atlantic voyage." "Well," I says, "that 300 tons is $21 a ton, which is $6,300." "Well," he says, "I tell you, you get on the train to-night and come down here and see whether you think she is fit to load any more, and if you do, bring down a man with you, send another man down to put it in."

Well, I went down and looked at her, and I says, "Captain, this ship is too deep now to go across." Well, he took her out, and when he was going across he had some heavy weather. For 36 hours they could not get from the bridge forward on her. He took a snapshot picture—I have got it in my office in New York and intended to have brought it down here—and he put on the back of the picture, "Do you think she is loaded deep enough?" But she was 300 tons light of what this load line said she should have, but even then she was too deep.

I would not ask a man to go to sea in any vessel that I would not go to sea in myself. I think I have about as much individually owned shipping as anybody else in this country.

Mr. GIBBS. How many tons?

Mr. PENDLETON. I will tell you what I will do. I will bet you $5,000 now that I have got more than any man in your organization—individually owned shipping free of any bond issue or free of all debts—more than any man you can name. I don't doubt that I have got more than any one man in this country, with the possible exception of one, and more than any man you might name.

Mr. GIBBS. What amount?

Mr. PENDLETON. I am not saying any amount; but if you have any sand and want to take the chances, I am ready to bet you that right now.

Mr. EDMONDS. I will not agree to that unless you will let the chairman hold stakes. [Laughter.]

Mr. PENDLETON. I will let the chairman hold the stakes.

Mr. EDMONDS. I would like to say, for your information, that among the executive committee of this National Board of Steam Navigation, I notice it is composed of Mr. Frederick A. Bishop, president of the Iron Steamboat Co., of New York; Mr. A. F. Brown, manager of the Philadelphia Transportation & Lighterage Co., Philadelphia, Pa.; Mr. F. Coykendall, Cornell Steamboat Co., New York; Mr. C. H. Hahl, Coast Transit Co., New York; Mr. C. W. Jungen, manager of the Morgan Line, New York; Mr. Edgar F. Luckenbach, Luckenbach Steamship Co., New York——

Mr. PENDLETON. Mr. Luckenbach is against it both tooth and nail, and he has more money in it than any one concern I know of.

Mr. EDMONDS. William Park, general superintendent of the Clyde-Mallory Steamship Co., New York; and Joseph D. Tomlinson, superintendent of the American-Hawaiian Steamship Co., New York. They are a few of the men named there. The rest are surveyors or coast and barge lines. This is the resolution which they adopted:

At a meeting of the legislative committee of the National Board of Steam Navigation held in New York City on July 12, 1921, consideration was given to House bill 3708, "Load line legislation," and the following was resolved:

That this board was in favor of the "load line" bill (H. R. 3708), considering that same was beneficial to life and property on vessels of foreign voyage, but that an amendment should be made to the bill the same as was suggested by the Department of Commerce in bill of the same type presented in Congress last year, to effect that same should eliminate all vessels and barges engaged in coastwise trade; whereas vessels plying to foreign ports have no harbors of safety to enter, vessels plying in coastwise trade are adjacent to such harbors of safety.

We ask that your committee consider the amendment to apply to this bill. Trusting you will give same this consideration, we remain,

Very truly, yours,

W. E. BERNARD,
Chairman Legislative Committee.

Mr. PENDLETON. That is all right. When it does not hurt, you can scratch the other fellow's back—when it does not hurt him. That is all right.

Mr. EDMONDS. Here is another one that may interest you.

JULY 12, 1921

Hon. WILLIAM S. GREENE,
Chairman Committee on Merchant Marine and Fisheries,
House of Representatives, Washington, D. C.

The Philadelphia Maritime Exchange desires to record with your honorable committee its approval of the enactment of legislation for the establishment of vessel load lines and recommends that the administration of the law be placed with the Secretary of Commerce.

THE PHILADELPHIA MARITIME EXCHANGE.
J. S. W. HOLTON, *President.*

Mr. PENDLETON. That is Mr. Holton. Now, Mr. Holton is a very nice man, but every member in that maritime exchange in Philadelphia is on record against it over in the Senate Commerce Committee that has any shipping. And of course they ought to know something about it.

Mr. EDMONDS. Well, Mr. Pendleton, we have to take what is sent to us, of course.

Mr. PENDLETON. That is very true, Mr. Chairman.

Mr. EDMONDS. So you go ahead and tell us what is objectionable in the bill and let us know what the trouble is.

Mr. PENDLETON. The trouble is we do not want to be hampered in any way by this bill. The only very strong competitor we will have is Canada. She is a country that is near us; her coast is similar to ours; we are competing with her in grain carrying, in lumber carrying, and in carrying other kinds of commodities, and it is essential that no keg of lead is tied around our neck and let her go free.

Mr. EDMONDS. If she takes a cargo of grain, we will say, out of Canada, and we take a cargo of grain out of our ports to England, she has a load line corresponding to the English load line, hasn't she; don't they require the Canadian ships to have it?

Mr. PENDLETON. No; they do not. Here is a letter from the department of marine and fisheries of Canada which says they do not require any load line.

Mr. GIBBS. For the ocean?

Mr. PENDLETON. For any ocean, for anywhere; and that is why this committee voted this bill out before, because it was misrepresented or misunderstood.

Mr. ARNOTT. All the vessels built for the Canadian Government in that last big program of vessels built in the last three or four years are all marked with load lines.

Mr. PENDLETON. Of course, any man can have a load line that wants one, and there is no objection to putting it on the stem or the stern or the side, or the poop house, the smokestack, hatch coaming, or anywhere else, and then they can tell such of their captains as don't know anything not to load her down deeper; but don't come here and try to get a Government regulation to bother you and hamper you and pester you. I have no objection if a lot of owners who have men that do not know anything about the business and want to instruct their masters, men who never had any experience at all, to telling them not to load down below a certain line, to putting a line on them; but that does not need Government control. You can put it on.

Every ship now has a load line, all of them have a load line. It does not need the fiat of the Government on it, though, to put a mark on. The classification societies are the ones to put it on. Lloyds puts it on the vessels here; the American Bureau of Shipping are putting it on vessels now. Well, let them put it on; if anybody wants it on, if they want to give their captains instructions how deep they shall load, let them do it; but they can not give them instructions in every port and in every place, because our climates and our sea coasts are altogether different than they are in England, than they are in Norway, than they are in Denmark, or than they are in Spain, because we run from good weather to bad weather—from your Indian Ocean weather on the one end of it to where the North Atlantic is troublesome, north of the Orkney Islands.

Mr. EDMONDS. If you had listened to Admiral Taylor this morning, you would have found that will all be taken care of.

Mr. PENDLETON. Oh, I have listened to Admiral Taylor. I expect I have had captains at sea more years than Admiral Taylor is old, and they know how to handle this kind of business, and they do not want to have to load a certain amount of cargo on any ship going to sea. They want to have the right to load their ship as they see fit, and if they do not know enough to load her, they do not know enough to go outside and handle her in a hurricane or a gale of wind.

Mr. MORRIS. I would like to ask Mr. Pendleton, in view of his testimony, if he does not consider it proper to leave the question of loading to the judgment of any other than the master, how he reconciles that with his own statement that he himself went down in one of his own vessels and corrected the master?

Mr. PENDLETON. I did not say I corrected him.

Mr. MORRIS. You did.

Mr. PENDLETON. I did not. You are always wrong.

Mr. MORRIS. You said you went down and told him he had too much on her.

Mr. PENDLETON. I said he had better not put too much on her on that particular voyage.

Mr. MORRIS. You also said you sent him a photograph and asked him if he did not think she was loaded deep enough?

Mr. PENDLETON. He sent me a picture and asked me, "Don't you think she is deep enough?"

Mr. MORRIS. The record speaks for itself, Mr. Chairman; and he said he sent the master a photograph and asked him if he did not think she was deep enough.

Mr. PENDLETON. No; the master sent me a picture and said, "Don't you think she is loaded deep enough?"

Mr. MORRIS. That, I think, is not quite what he said, as I think the record will show. I would also like to call attention to the fact that the three steamers which are missing——

Mr. PENDLETON. Four.

Mr. MORRIS. I said three, Mr. Pendleton.

Mr. PENDLETON. Well, there are four of them.

Mr. MORRIS. Well, three of them were marked with a load line in accordance with Lloyd's rule at the time of their loss, with all of them loaded to a greater depth than allowed by Lloyd's freeboard.

Mr. PENDLETON. All three of them did have load lines on them, didn't they?

Mr. MORRIS. Yes; and were loaded in excess of those lines at the time they were lost—each and every one of them.

Mr. PENDLETON. And they are all in your organization, aren't they?

Mr. MORRIS. No.

Mr. PENDLETON. Well, in whose organization are they?

Mr. MORRIS. I do not know, sir. They belong to certain ones, but that is a matter of record.

Mr. PENDLETON. Well, don't you know who the owners were?

Mr. MORRIS. One of them was owned by the Union Sulphur Co. and the other two by the Cuba Distilling Co.

Mr. PENDLETON. Are those two companies in the organization, Mr. Gibbs is representing?

Mr. MORRIS. I do not know; not within my knowledge.

Mr. PENDLETON. Can you state that, Mr. Gibbs?

Mr. GIBBS. I think so.

Mr. PENDLETON. They are both in your organization?

Mr. GIBBS. I think so.

Mr. MORRIS. But there is nothing to compel them to observe the load line; nothing in the law which requires them to do it, and those vessels had a load line which was supposed to be a mark of safety, based on good engineering principles, taking into account the type of construction of the vessel, the cargo she is to carry, the voyage, and the season of the year; and they were each and every one of them loaded in excess of that margin of safety.

Mr. PENDLETON. Were not all the captains and crews lost in these ships?

Mr. MORRIS. In some instances all hands were lost; in other instances some of the crew were lost.

Mr. PENDLETON. Were not all the crew lost?

Mr. MORRIS. It is testified to in the record yesterday. I would also like to say Mr. Pendleton made a statement that no vessel had ever been lost that did not have a load line on her.

Mr. PENDLETON. That did not have a load line on her?

Mr. MORRIS. Yes, that did not have a Plimsoll mark.

Mr. PENDLETON. I did not say that.

Mr. MORRIS. You said no one could show there had ever been the loss of a vessel or loss of life where the vessel had not been marked with a load line.

Mr. PENDLETON. That was caused by overloading; you have not been able to show a vessel that was lost by reason of overloading that had no load line on her.

Mr. MORRIS. It was testified yesterday, and, if I may, I would like to put it in again, the case of the lake steamer *Benjamin Noble*, where the Supreme Court has decided that the vessel was lost as a result of unseaworthiness brought about by overloading. She was lost with all hands, and a crew of 20 men.

Mr. PENDLETON. Yes, that is true. I know that, because that is the case where they had a cargo of railroad iron on her; almost sunk her at the dock.

Mr. MORRIS. If you know that, why did you testify to the contrary?

Mr. PENDLETON. It has been 12 years ago, or 8 years ago——

wMr. GIBBS. That is the case you brought up.

Mr. PENDLETON. What?

Mr. GIBBS. That is the case Mr. Morris has read and you said there as no such case. Now you say there is such a case.

Mr. PENDLETON. I am talking of the Atlantic Ocean.

Mr. MORRIS. You did not say that.

Mr. PENDLETON. I do not care anything about the Lakes. They are in a basin up there where they want to get something on the other fellow and the other fellow wants to get off without anything; some fellow will load down with the deck within a foot of the water and another fellow will load down so that you can not see the deck for the water; so it does not make any difference up there.

Mr. MORRIS. I would also like to ask Mr. Pendleton if he has ever been held liable in damages by the Supreme Court of the United States by reason of his having sent an unseaworthy vessel to sea?

Mr. PENDLETON. I went over that. I think you were here this morning when I went over that, and I paid your company's losses after your inspector went down and passed her.

Mr. MORRIS. You did not pay us a damn cent until the Supreme Court made you do it, and we were damn lucky to get it then. [Laughter.]

Mr. PENDLETON. And I will tell you this: Your company was one of the sneak companies that took the money, when the other companies, the Atlantic and Boston insurance companies, the two straight-out American companies, would not take a dollar, because they said their inspectors had passed the vessel and they had taken her at a lower rate than any other risk they had ever taken, and they would pay their losses and would not ask anybody else to do it. And you represent, as I understand, the North American, that comes down here to beg favors and things from this committee, and it is your very company that has distributed word to American importers not to take United States shipping vessels but to ship by such concerns as the Elder-Dempster Line, of Europe.

Mr. MORRIS. That is not true, and you can not prove it.

Mr. PENDLETON. I can prove it, and right from the minutes.

Mr. MORRIS. You can't prove it.

Mr. PENDLETON. I will bet you a thousand dollars I can prove it. Are you game? You are the kind of charitable institution that I object to contributing to your surplus and paying your losses.

Mr. MORRIS. You won't have the privilege and have not had for a good many years.

Mr. PENDLETON. No; I have never asked your company for a dollar of risk and have never insured with you for 30 years and over.

Mr. MORRIS. You could not if you asked them.

Mr. PENDLETON. I have never asked you to. Wait until I ask you.

Mr. MORRIS. You don't ask because you know you can not get it.

Mr. EDMONDS. Let us not get into these personalities now.

Mr. PENDLETON. I know their record; they fight everything and everybody.

Mr. EDMONDS. We Quakers are always good fighters. Let us get down to the bill.

Mr. PENDLETON. Mr. Chairman, the real meaty stuff I have left in New York and I will have to have a chance later to go into it. I have not very much more to say here, except that I want to enter a protest against calling these hearings in the heat of the summer when everybody might be away on their vacations and especially so when there is only one member of the committee here out of 21 to hear these arguments or to interrogate the witnesses, and on a matter that is changing the legislation of this country on so important a matter as this. I think it is uncalled for and I never heard of it before.

We want the representatives here to listen to their constituents who are opposed to this legislation. We want the members of this committee here from the Atlantic, Gulf, and Pacific coasts to listen to the appeals of their people, and, above all, we especially want Mr. Greene here who has never failed or faltered by voice or vote for over 20 years to help an American shipowner. He is the one man, the Senator Frye of the House, that the seafaring community looks to for protection when they are attacked. We want him here, for, if this bill goes out of this committee, we want him to lead the fight on the floor of the House for us.

Mr. EDMONDS. Can't you just go along now and put in your general statement and then bring in your other data next week?

Mr. PENDLETON. There are a lot of matters I want to speak on, but I have not had the time to get them up. I just grabbed my grip and came down here, after I had been away nearly a month, and there is no one I know who had any information about the hearing. I presumed this thing was dead, had been killed, and I did not suppose it would be taken up again; but it appears that somebody, for some reason, is pushing it; no American shipmasters, no real American owner has appeared here to tell you a reason why he wants this legislation. There is not a man living that can take the record now and can tell what kind of a bill he would want. If there is any bill wanted, it is a different bill for every man; some of them want to load the deck deep under the water and some high out of the water, and all that.

Mr. EDMONDS. I think we can get some shipmasters down here to testify they want a load line.

Mr. PENDLETON. Well, all right; you get them down here.

Mr. EDMONDS. I will say shipowners if you want them; I do not know about the masters, because I am not acquainted with the masters.

Mr. PENDLETON. Well, I will tell you the masters are really the men who ought to have something to say about this. They are the men who are going to risk their lives; and the fact of it is, Mr. Chairman, if the master of a ship does not know how to handle his ship at sea and how to load his cargo and load it safely, who does? Are you going to say that some man that sits behind a roll-top desk, that has never been outside, that would be seasick if he got 3 miles from the mainland, is going to tell him what to do? My God! I think it is scandalous; that is what I think it is.

Bring down that crowd of criminal owners that you say have driven the masters and seamen to sea to sink them. Bring down the incompetent masters that take such instructions and let the committee, the Congress, and the country know the people that are a menace to American shipping and sailors. We challenge them to do it.

Mr. EDMONDS. Let me ask you something: Is it not a common practice of shipowners to-day, where they handle a variable cargo on a voyage, to prepare a plan and give it to the master to show him how to load that cargo?

Mr. PENDLETON. Not bulk cargo.

Mr. EDMONDS. No; not bulk cargo.

Mr. PENDLETON. I will tell you in the package freight it is done; very seldom the ship ever gets down to her mark. You take it in the Gulf; there is trouble in getting the vessel down deep enough, because it is cotton and lumber, and that is true with the Pacific coast ships. That is why, when they load in the Gulf, they go to another port and load cotton on top of it, because they get the space.

Mr. EDMONDS. There are some ships that carry a fairly heavy general cargo without being a passenger ship.

Mr. PENDLETON. Oh, yes.

Mr. EDMONDS. And that is all planned out beforehand by the office; it has been so testified before this committee.

Mr. PENDLETON. Yes; they do that in the package freight on the general liners, that is true; but it is very seldom a ship ever gets down to her mark with that kind of cargo. Of course, it is not exceptional; I do not mean to say it is done so much, but they must have an awful lot of heavy-weight cargo in order to get down to their mark.

Mr. EDMONDS. I have seen the plans in a number of ship offices showing how they wished the cargo to go on the boat, and it was of a whole lot of different material.

Mr. PENDLETON. That is true.

Mr. EDMONDS. And I have seen plans made in the shape of a big sheet to show how to load that ship.

Mr. PENDLETON. Surely; because largely those ships run to 61 different ports in Europe, and they leave cargo off at several places, and they put in it so that they can get the cargo for the first port out first when they get on the other side, and they have the stuff all piled on the wharf assorted and marked to go in a certain section of the ship, so that the ship will be in trim when she leaves the first port to go to the next port.

Mr. EDMONDS. So that they do not leave it all to the masters.

Mr. PENDLETON. That is stevedoring. That is a different proposition from loading the ship down. When a master goes in one of the regular liners, why they very seldom have to bother with it, such as the Cunard Line, or such as the International Mercantile Marine, where they carry passengers, you know; and so with a large number of those North Atlantic ships, they never get down anywhere near the load line.

Mr. EDMONDS. I know that.

Mr. PENDLETON. It is where you take bulk coal and heavy cargo that they get down to their load line. Of course, coal is not bulky and a million tons of coal is not very much; but a million tons of boots and shoes, hats and such stuff as that, is a whole lot and it takes a good many ships to carry a million tons; but coal is different from a million tons of the other stuff.

Mr. EDMONDS. Now, I do not think we had better sit next Friday——

Mr. PENDLETON. I am going to ask, Mr. Chairman, I am going to make the request—I think I almost ought to make it a demand—that these hearings be postponed until at least after the summer vacations or until such time as the full membership of this committee can come here and hear the people who want to be heard or have protests to file against this legislation. I do not want to make it too strong, but I do not think that the American Congress should put these people, in the heat of summer, to all this trouble of coming down here when their representatives can not meet them, or can not see them; and I am going to ask that these hearings be postponed to the 1st of October, or until such time in the fall as a man can live down here.

Mr. EDMONDS. I can not speak for the rest of the committee, unfortunately, but I will put your request up to the committee before we have another meeting.

Mr. PENDLETON. If this thing has been hanging for 130 years it won't do much hurt for it to keep hanging a couple of months longer until people can live down here.

Mr. EDMONDS. If it is kept hanging too long, it might be dead.

Mr. PENDLETON. It would be the best death that could occur.

Now, Mr. Chairman, the shipping situation to-day is such that Congress should give immediate consideration to it, for until the United States adopts a shipping policy, so practical as to give assurance of stability and permanence, so effective as to make manifest a profit on investment in American merchant ships, our great shipping problem will remain unsolved.

The Government of the United States is to blame for the lack of an efficient merchant marine to-day. This is so because through cowardice or indifference the Government so far has been unwilling to establish an American shipping policy. We have tried to "get by" with an American merchant marine without a policy, but conditions daily and hourly prove that it is an impossibility. We do not like to offend the other maritime powers—that's the great trouble.

We seem to want to find an effective American shipping policy that will be inoffensive to our maritime competitors, and "there ain't no such animal."

Substituting pussyfooting for courage we hold back—hold back in the very thing that is essential to the solution of our shipping problem—hold back in the adoption of an American shipping policy.

American investors must be convinced that there is not only a profit in investment in an American merchant marine, but that there is satisfactory assurance of the return of the capital invested; and such conviction is impossible without the existence of an effective and permanent American shipping policy.

The United States Government has created a Frankenstein—a monster that may destroy it if it lacks the courage to deal with it so that it can be made a blessing and a great national protector, second only to an efficient Navy. To help the allies win the war we created a $4,000,000,000 merchant marine, a merchant marine such as we needed for our own foreign carrying, but which need we had been indifferent to and had ignored. Unwilling to supply our own national needs in creating a merchant marine of our own, which we acutely needed, we were willing without stint as to expense to create such a marine for the salvation of our allies.

Our merchant marine was established out of chaos, lacking commercial purpose, or objective and direction—lacking, in fact, a policy; and when its military needs had been served we found ourselves helpless—our merchant marine is a derelict.

In 1914—before the outbreak of the European war—our merchant marine in foreign trade aggregated a million tons; now it aggregates 12,000,000 tons; with our 1,000,000 tons we carried 10 per cent of our foreign trade, but with our 12,000,000 tons we carry but 35 per cent of our foreign trade. It is not that our trade has so increased in bulk that 35 per cent is all we could hope to carry of it; but it is because our merchant marine is so inefficiently managed, by and large, that it only accomplishes about half what it should accomplish. Great Britain's shipping has not increased over what it was in prewar times, but it carries as large a proportion of the world's foreign commerce now as it carried in 1914—it is so much more efficient than ours is.

It is not to be expected that this country could be catapulted into the intricacies of the shipping business from which it had been absent for two generations and acquit itself as well as its great foreign rival, in the twinkling of an eye, or overnight, so to speak. But, if it is to retain its marine, and develop and maintain it in foreign trade, it must protect it against foreign competition. It was our unwillingness to protect an American merchant marine in foreign trade, before the European war, that found us practically without one. Our continued unwillingness to protect our present American merchant marine will result in our losing it; but the loss, happily, in great part, will be the Nation's, rather than individual losses. American private owners of American shipping can place it under foreign flags and operate it at the same profit that foreigners operate their ships under foreign flags; and if the American Government persists in refusing to adopt an American maritime policy, that is what will eventually happen, or our ships will rot at their moorings, while our foreign rivals recapture our foreign carrying. Freight rates to-day are so low as to mean a loss to American ships, while still yielding a profit to foreign ships; which means that the American ships will be forced to lay up to avoid a loss, while the foreign ships will be able to keep running because earning a profit.

The Government of the United States can not place its ships under foreign flags in order to operate them at a profit, instead of a loss—in short, our shipping problem has become a peculiar governmental problem, and, in that respect, it is a mighty good thing that it is so.

The reason it is necessary for the United States to adopt a protective shipping policy is because it can neither build nor operate ships in close competition with foreign ships. For American ships to succeed in foreign carrying they must be fortified in some way to meet cheaper foreign competition. This necessitates a protective governmental policy. The preferable policy is one that will create such a preference for the American ship, in carrying our foreign commerce, as to compel shippers to use it; and this should be done without recourse to the National Treasury. That is the way it was done during the three-quarters of a century that preceded the Civil War when, instead of a shipping problem we had a prosperous and profitable shipping—an adequately protected shipping.

If there is any other effective policy, or any better policy, let us have it; it should be adopted by the Government so that Americans with capital to invest in merchant ships can look into it, and, if satisfied that it is effective, is likely to be permanent, and is one that will give them reasonable assurance of a profit on their investment and the eventual return of their capital, induce them to take our merchant ships off our Government's hands.

All of this should prove that the Government must, first of all, adopt a satisfactory protective American shipping policy. Whatever else the Government does to help our merchant marine, or itself in its ownership of a vast merchant shipping, is largely time wasted until a shipping policy is adopted.

No one could have dreamed that a condition of Government ownership of an American merchant marine would ever arise that would force the Government to adopt an American shipping policy, in order to save itself the loss of hundreds of millions of dollars a year—if that were all the relief it sought. But if, sincerely, it desires to have our merchant marine grow and expand, then it must adopt a shipping policy. Easily, in the years ahead before existing Government-owned merchant ships wear out or are lost or scrapped, our Government can expend another three or four billion dollars on them, if it refuses to adopt an American shipping policy that will cause American capital to buy the merchant ships from the Government. Is the Government's unwillingness to adopt such a shipping policy going to cause it to waste another three or four billion dollars on its merchant ships?

(The following letter was filed by Mr. Pendleton:)

DEPARTMENT OF MARINE AND FISHERIES,
Ottawa, January 2, 1921.

SIRS: Replying to the inquiry in your letter of the 15th instant, with regard to the regulations in Canada respecting the placing of a load water mark line on ships sailing under the Canadian flag, I have to advise that there is no such regulation in force here, and we do not require Canadian ships to carry any mark corresponding to the Plimsoll mark.

The stamped addressed envelope forwarded by you for reply, is returned herewith.

I am, sirs, your obedient servant,

A. R. TIBBITS,
Acting Assistant Deputy Minister.

MESSRS. PENDLETON BROS. (INC.),
130 Pearl Street, New York City, N. Y.

(The additional statement of Mr. D. Arnott, of the American Bureau of Shipping, follows:)

EXHIBIT A.

LOAD-LINE LEGISLATION.

Judging from the proceedings at the recent congressional hearings on the Edmonds load-line bill, there appears to be some misapprehension both as to the interpretation and the application of the various load-line regulations of foreign countries, especially the load-line requirements of the British merchant shipping acts of 1894 and 1906. Mr. Gaynes of the Shipping Board, in his testimony on Friday, July 15, endeavored to show that the bill at present before Congress was much more stringent in its provisions than either the British law or the Japanese load-line law recently promulgated.

The following are the principal points raised by that witness at the recent hearing:

(1) Mr. Gaynes drew attention to the fact that the penalties for overloading, etc , in the Edmonds bill were much more sever than in the British merchant shipping acts. This is a matter of minor importance, which can be easily rectified, but it may be pointed out that the statutory penalty of £100 stipulated in the British regulations in the event of a captain overloading his vessel would prove to be the very least of his troubles, and not to be compared with the loss incurred to the owners by the detention of the vessel.

(2) It was also argued that the penalty was not large enough to deter the master of a vessel from undertaking a risk, and that the British regulations with regard to overloading were consequently not always complied with by owners and masters, and not rigidly enforced by the authorities. This may have been the case to some extent during the late war when the freeboard markings were not required to be kept plainly visible, this special war condition being allowed for under M. S. A. 1894, section 422, clause b. In ordinary peace times, however, overloading is unknown, and it is almost inconceivable that any captain would take the risk of being reported for overloading his ship. A statement of the freeboard as marked on the vessel's sides is required to be entered in the official log book and in the agreement with the crew (sec. 440, pars. 3 and 4), and the crew would certainly not miss an opportunity to report a case of overloading, even assuming that the submerging of the disk escaped the notice of the various port officials.

(3) The point was raised that the British law only dealt with overloading in home ports, the inference being that deeper loading than the statutory freeboards was permitted in foreign ports, i. e., outside the jurisdiction of the United Kingdom. Mr. Gaynes quoted in support of this view section 438, M. S. A., beginning as follows: "The owner of every British ship proceeding to sea from a port in the United Kingdom shall, before the time hereinafter mentioned mark upon each of her sides, etc." The intention of the act is clearly stated in section 440, paragraph 5, which reads: "When a ship to which this section applies has been marked with a disk indicating the load line, she shall be kept so marked until her next return to a port of discharge in the United Kingdom."

Also section 442, clause a, which reads: "If any owner or master of a British ship fails without reasonable cause to cause his ship to be marked as by this part of this act required, or to keep her so marked, or allows the ship to be so loaded as to submerge in salt water the center of the disk indicating the load line, etc." The freeboard tables issued by the board of trade which have the effect of law (see sec. 443, par. 3) also states on foot note, page 37, as follows: "The above reduction in freeboard for summer, voyages from European and Mediterranean ports is to be made from April to September, inclusive; in other parts of the world the reduced freeboard should be used during the corresponding or recognized summer months." There is no question, therefore, but that a British ship must conform to the freeboard regulations not only in the United Kingdom but also when loading in any port of the world. Furthermore, all the principal maritime countries, with the exception of the United States, have load-line regulations, which apply to the vessels of all nationalities, so that this consideration alone would prohibit the overloading of a British vessel in any of the principal foreign ports.

(4) Mr. Gaynes pointed out that the freeboard marks in the case of a British ship could be altered in a foreign port. This is in accordance with the facts as the M. S. A. 1906, section 8, paragraph 4, provides for the alteration of freeboard markings of ships abroad, but only "in accordance with the board of trade regulations." This is an amendment to the original requirements outlined in section 440, paragraph 5, M. S. A., 1894, and is intended to cover cases where ships abroad may have structural changes or other alterations carried out affecting their freeboards.

(5) Emphasis was also laid on the fact that the new Japanese load-line bill while specifying in article 1 certain types of vessels which are exempted, goes on to state in article 2 that "Except in cases specially provided for by the competent minister of state, a vessel shall have her load line assigned and marked, etc." It is submitted that the "cases" referred to in article 2 embrace the special types of vessels specified in article 1. The freeboard regulations of all countries exempt naval auxiliaries, such as transports, colliers, etc., which obviously are not merchant ships within the meaning of the act. There is no sinister purpose behind article 2, which certainly is not intended to give the Japanese minister of marine power to exclude from the provisions of the bill any class of ordinary merchant ships which may be from time to time under special stress of foreign competition.

A comparison of the load-line bill now before Congress with the load-line regulations of M. S. acts 1894 and 1906, as also with the new Japanese bill, is all in favor of Mr. Edmonds's bill, which is extremely lucid and easy of interpretation. There is, however, a clause in the M. S. act of 1894 which appears at first sight to be comparatively unimportant, but the inclusion of which has undoubtedly had the effect of making the administration of a compulsory load line in Great Britain entirely satisfactory to all the various shipping interests. The provision referred to reads as follows, section 48, paragraph 4: "In approving any such modifications the board of trade shall have regard to any representations made to them by any corporation or association for survey and registry of shipping for the time being approved or provided by the board of trade, as hereinafter mentioned for the purpose of approving and certifying the position of the load line."

It is mainly due to this particular clause that load-line legislation in Great Britain has been entirely beneficial, that the freeboard rules have kept pace with modern developments in the art of shipbuilding, and that Government control has been kept down to the desirable minimum. It is worthy of note that the improvements and modifications made from time to time in freeboard tables have been initiated by the assigning authorities and not by the board of trade. As all the various shipping interests have adequate representation on the committees of the classification societies, there is no danger of the British freeboard regulations becoming hidebound or of any class of vessel being discriminated against. Section 2 of Bill H. R. 3708 might with advantage be amplified to include some such provision as quoted above, and if so amended might have the effect of allaying the fears of some of our shipowners who are seemingly averse to any extension of Government control over United States shipping.

In the proposed bill, line 20, section 6, also line 19, section 8 (a), the words "if any" appear in parenthesis after "vessel." There is probably a good and sufficient reason for this, but the why and wherefor of it is not apparent. It may be that the keeping of an official log is not required in the case of vessels making very short coasting voyages, and if such is the case this should be clearly stated in the bill.

With reference to the very proper appointment of the American Bureau of Shipping as an authority for the purpose of assigning freeboards (sec. 3, line 15), it may be stated that under the bill the bureau has exactly the same relative position as Lloyd's register had under the merchant shipping act of 1894, also that other foreign classification societies, such as Bureau Veritas, Germanischer Lloyds, and Norske Veritas, are the assigning authorities under the load-line laws of France, Germany, and Norway, respectively.

The passage of legislation to provide load line for foreign-going vessels is essential if only to avoid international complications with the other maritime nations. As it is, considerable inconvenience to owners of American ships has been avoided only by the foresight of the Shipping Board in directing that freeboards should be assigned to all their vessels in accordance with the board of trade rules at present in force and which have general recognition. The official freeboard certificates issued by the bureau to American ships are meantime recognized by the British board of trade, who have instructed their surveyors in the United Kingdom to recognize American bureau certificates as being valid and of full effect in the United Kingdom. This recognition was granted under date of February, 1920 (see letter from Secretary of Commerce, Mar. 9, 1920), but it is to be noted that this was a temporary recognition only pending the passing of a load-line bill in the United States.

(Mr. William D. Winter, third vice president of the Atlantic Mutual Insurance Co., of New York City, wrote the following letter under date of July 15, 1921:)

EXHIBIT B.

ATLANTIC MUTUAL INSURANCE CO.,
New York, July 15, 1921.

Hon. GEORGE W. EDMONDS,
Committee on the Merchant Marine and Fisheries,
House of Representatives, Washington, D. C.

SIR: As agreed at the hearing on the load-line bill at Washington, July 14, I am inclosing herewith the published statement of the Atlantic Mutual Insurance Co, as of December 31, 1920. From this the committee will realize that the figures offered in evidence by Mr. Fields Pendleton, were misleading and tended to create a false impression. A résumé of the figures in the statement would show the following results:

Income:	
Earned premiums, 1920	$8,701,294.28
Receipts from investments, rents and interest	675,589.16
Total	9,376,883.44
Disbursements:	
On losses paid	3,345,414.93
Paid out for reinsurance premiums and return premiums	2,958,119.18
Expenses (overhead)	970,702.03
Scrip dividend of 40 per cent, referred to in statement	2,274,220.00
Total	9,548,456.14

I trust that in justice to this company these figures will be inserted in the records at the proper point.

Thanking you for your courtesy, I am

Faithfully, yours,

WILLIAM D. WINTER,
Third Vice President.

OFFICE OF THE ATLANTIC MUTUAL INSURANCE CO.,
New York, January 25, 1921.

The trustees, in conformity with the charter of the company, submit the following statement of its affairs on the 31st of December, 1920:

Premiums on marine and inland transportation insurance from Jan. 1, 1920, to Dec. 31, 1920		$8,584,571.22
Premiums on policies not terminated Jan. 1, 1920		1,341,048.38
Total premiums		9,925,619.60
Premiums marked off as terminated from Jan. 1, 1920, to Dec. 31, 1920		8,701,294.28
Interest on the investments of the company received during the year	$493,962.43	
Interest on deposits in banks, trust companies, etc	76,686.96	
Rent received, less taxes and expenses	104,939.77	
		675,589.16
Losses paid during the year		4,643,387.13
Less salvages	376,254.04	
Less reinsurances	921,718.16	
		1,297,972.20
		3,345,414.93
Reinsurance premiums and returns of premiums		2,958,119.18
Expenses, including compensation of officers and clerks, taxes, stationery, advertisements, etc		970,702.03

A dividend of interest of 6 per cent on the outstanding certificates of profits will be paid to the holders thereof as shown by the books of the company at the close of business on December 31, 1920, on and after Tuesday the 1st of February next.

The outstanding certificates of the issue of 1919 will be redeemed and paid to the holders thereof on and after Tuesday the 1st of February next, and no further interest will accrue thereon, the certificates to be produced at the time of payment and canceled.

A dividend of 40 per cent is declared on the earned premiums of the company for the year ending December 31, 1920, which are entitled to participate in dividend, for which, upon application, certificates will be issued on and after Tuesday the 3d of May next.

By order of the board.

G. STANTON FLOYD-JONES, *Secretary.*

BALANCE SHEET.

Assets:		
United States and State of New York bonds		$1,822,200.00
Stock of the city of New York and stocks of trust companies and banks		1,458,300.00
Stocks and bonds of railroads		2,974,879.85
Other securities		304,804.00
Real estate corner Wall Street, William Street, and Exchange Place		3,900,000.00
Suspense account		75,000.00
Premium notes		632,087.59
Bills receivable		887,887.22
Cash in hands of European bankers to pay losses under policies payable in foreign countries		167,660.39
Cash in bank and in office		2,597,223.46
Total		14,819,442.51
Liabilities:		
Estimated losses and losses unsettled in process of adjustment		4,827,500.00
Premiums on unterminated risks		1,224,325.32
Return premiums unpaid		133,236.83
Taxes unpaid		135,000.00
Reinsurance premiums on terminated risks		491,294.37
Claims not settled, including compensation, etc		124,716.00
Income tax withheld at the source		1,273.87
Unpaid certificates of profits, ordered redeemed, and interest unpaid		337,559.75
Certificates of profits ordered redeemed, withheld for unpaid premiums		22,592.54
Certificates of profits outstanding		3,907,700.00
Balance		3,614,243.83
Total		14,819,442.51
Balance brought down		3,614,243.83
Accrued interest on the 31st day of December, 1920, amounted to		61,456.86
Rents due and accrued on the 31st day of December, 1920, amounted to		27,959.46
Reinsurance due or accrued, in companies authorized in New York, on the 31st day of December, 1920, amounted to		1,168,939.95
The insurance department's valuation of stocks, bonds, and other securities exceeds the company's valuation by		2,587,130.97
On the basis of these increased valuations the balance would be		7,459,731.07

(Hon. John McDuffie, of the House of Representatives, filed the following for the benefit of the committee:)

EXHIBIT C.

HOUSE OF REPRESENTATIVES,
Washington, D. C., July 16, 1921.

MR. CHAIRMAN: I desire to present for the consideration of the committee a telegram from a large shipping concern of Mobile, Ala., Page & Jones, in which they set forth their views upon the proposed load-line legislation.

I also present a letter written to me from Mr. Horace Turner, of Mobile, Ala., who is himself an extensive ship operator and who has set forth objections to this legislation.

I am not an expert on the operation of ships; however, it occurs to me that the objections registered by these gentlemen, as set out in the telegram and letter, are

very forceful. I am convinced that one great trouble with our success in shipping has been due to the fact that our operators have been handicapped with legislation by Congress. I do not believe this legislation is necessary. Certainly it is not necessary in so far as freight-carrying vessels are concerned. I hope to be heard at your next meeting, when this bill is taken up.

MOBILE, ALA., *July 14, 1921.*

Hon. JOHN MCDUFFIE,
Member of Congress, House of Representatives, Washington, D. C.:

Have received copy of proposed load-line legislation and have also been in touch with Horace Turner. In going over this we are adverse to this legislation, as it will tend to bring about more hardships in the handling of American tonnage account too much red tape, and probably some inexperienced inspector would put owners or operators of American steamers in very embarrassed position at some time when it should be left to a practical man as well as practical officers of the steamers as to their judgment in the loading of the vessels. Also, considering the laws of other countries and laws of this country pertaining to load line, the percentage of American vessels lost is not as great as that of other countries which have a load line, and is sufficient evidence the Americans can handle their tonnage without this load line; and furthermore it will avoid some handicaps and embarrassment which will undoubtedly occur, and too much legislation does not encourage a merchant marine, but the way to encourage it is as little legislation as possible and liberal laws, so that we may be able to compete at all times with foreign vessels. The foreigners would welcome America putting these obstacles in the way, so they could soon drive the American merchant marine off the high seas.

PAGE & JONES.

TURNER TERMINAL CO.,
Mobile, Ala., July 12, 1921.

HON. JOHN MCDUFFIE, *Washington, D. C.*

DEAR MR. MCDUFFIE: I wish to enter my protest against S. 1496, a bill to establish "load lines" for certain vessels, on the ground that it will add one more impediment to American steamships operating in foreign trade, by removing an advantage as to loading now enjoyed by American ships (without "load lines") over their foreign competitors (with "load lines") and substituting "governmental judgment" for the "practical judgment" of shipowners, the only ones who can save our American merchant marine, if such a thing is possible.

If Americans are now successfully operating without "load lines" (as they are) and, in this way, leaving to the judgment of masters the depth to which vessels shall load at different seasons and in different trades, I fail to see any good reason for a change (which means all the red tape incidental to Government supervision). All legislation is more or less an impediment, never an aid. Our American ships are overmanned, overpaid, and overfed by comparison with our foreign competitors. We are already at a disadvantage so great that it is a matter of grave doubt if we can ever overcome such disadvantage. Part of our difficulties result from burdensome legislation, with the "load-line" bill adding to instead of subtracting from such difficulties. Certainly the American owner and operator stands a better chance of successfully operating without impediments than with them. If so, why not remove legislative impediments instead of adding one more (through this "load-line" bill)?

What reason can there be for this "load-line" legislation? That American owners and masters are not trustworthy and have been overloading their ships to the point of losing them? Certainly not. Our ship losses are no greater than those of other nations with load lines.

That crews need protection against the acts of dishonest owners and masters? Certainly not. The union crews to-day (like railroad unions and other unions) are amply able to protect their own interests. After the experience of Congress with the railroad unions, after the recent strike of crews of American ships, and with the friction constantly before us, as a result of trying to reconcile demands of unions with the necessities of business, there should be little doubt in the minds of Members of Congress that the crews, backed by the seamen's unions, can protect their own interests.

That underwriters exact a higher rate (or penalty) from American ships without load lines than they exact from our foreign competitors? Certainly not. We have always insured as low as our competitors.

Then why this change now and the necessity of legislation over "load lines" when none is necessary?

If there is any imaginary need of protection (by load lines) to passengers sailing upon American ships, then let the "load lines" apply solely to such passenger ships and save the "freighters" from such impediments.

Even if the "load line" applied solely to American ships in the coastwise trade that would be bad enough but not as bad as applying such "load lines" to American ships in foreign trade. In the coastwise trade, it would be adding the same impediment to all American ships alike (destroying the loading advantage they now enjoy) and, finally, passing the expense on to the American consumer. In the foreign trade, it is a matter of competition with foreign ships, and the taking away from American ships of an advantage (in deeper loading) that they enjoy over foreign ships. And such advantage, slight as it is, should not be withdrawn when we all know that American ships can not possibly operate in the foreign trade as cheaply as foreign ships—because American ships are overmanned, overpaid, and overfed by comparison with such foreign ships.

If foreign countries object to our system of operating without "load lines" (as they would like to object to this and everything else we do in the shipping line) it is up to this Nation to insist upon the right to conduct its own affairs in its own way; and to show by past experience that American ships without load lines are just as safely operated as foreign ships with load lines. Having operated without load lines up to this time the Americans can continue this policy.

This bill absolutely prevents the Pacific coast type of lumber steamers (the result of 25 years of development) from being operated in the foreign trade, such as to Mexico, South America, Canada, etc. These ships carry such a large portion of their cargo on deck as to often put the ship's deck under water. These ships can not operate at all with Plimsoll marks. Yet such ships are absolutely safe, and so considered by owners, charterers, underwriters of the Pacific coast, and all others familiar with this type. They are as safe as the ships of foreign nations operating with Plimsoll marks. I speak from a personal experience, as the former owner of such a steamer, operated in Gulf and along Atlantic and West Indies. This Pacific coast type of ship (loading with decks awash) is sufficient answer to this argument for "load lines" upon American ships. This type of ship, and its successful experience, shows conclusively that owners and masters know best, from practical experience, just what ships can and can not stand.

As a practical illustration, let me say that American ships, owned by a large and most successfully operated American corporation, are to-day loading out of Mobile to 6 inches below their Plimsoll marks, gaining thereby some 300 tons of additional cargo. These ships have Plimsoll marks, as have many American ships, even though such marks are not compelled by law. They are used merely as a guide. By loading such Plimsoll marks 6 inches under water (which this "load line" bill would prohibit) the ship starts from Mobile with some 300 tons of extra cargo, and, due to ship burning coal that lessens her draft about 1 inch daily, when off Hatteras (where bad weather is likely) the ship has consumed sufficient coal to bring her Plimsoll marks out of water. Thus, by using good judgment (which this bill would prohibit) the ship is earning freight upon 300 additional tons without undue business risks. This means considerable money earned by the end of the year toward offsetting the vastly higher operating costs that American ships incur over their foreign competitors.

Operating ships is a very hazardous enterprise, and American capital will not seek such investments unless the return is in proportion to the risk. To-day, under existing world conditions, there is no profit in operating ships. As there is a surplus of ships afloat there is no telling when this situation will change, and the tonnage again match the ships. Under such conditions, it is imperative that Congress, if it would maintain a merchant marine, should do everything possible to make ship operating attractive. The removal of all legal impediments, such as the seamen's bill and this "load line" bill, would be a step in the right direction. I personally think that only a ship subsidy (to offset the higher cost of operating American as compared with foreign ships) will ultimately enable this Nation to maintain a merchant marine. In the meantime, a "hands-off" policy—thereby permitting the shipowner to operate as does the American manufacturer, i. e., in whatever manner his practical judgment dictates—should be adopted by Congress, after wiping out the legal impediments already mentioned.

The shipowner is discouraged. He needs help and not impediments such as this "load line" bill. Congress can please our foreign competitors in no better way than by loading down the American ships with legislative impediments (seamen's bill, load line bill, etc.). This load-line bill is not warranted by any existing abuse; it is not necessary for the successful operation of American ships in the foreign trade; it is a withdrawal of an advantage that American ships now enjoy over their foreign competitors; and, lastly, it is an absolute legal impediment that should never be anchored upon our merchant marine.

Respectfully,

HORACE TURNER.

(Mr. S. D. McComb, manager of the Marine Office of America, New York City, filed the following with the committee on July 25, 1921:)

EXHIBIT D.

MARINE OFFICE OF AMERICA,
New York, July 25, 1921.

Hon. GEORGE W. EDMONDS,
House of Representatives, Washington, D. C.

DEAR SIR: At the hearing on load lines, the statement was made that British ships were only compelled to observe the load line while making trips to and from the United Kingdom.

Inclosed is copy of a letter received from Lloyd's Register of Shipping, which is one of the assigning authorities on British regulations, stating that the load line has to be observed on all occasions.

Respectfully, yours,

S. D. MCCOMB, *Manager.*

LLOYD'S REGISTER OF SHIPPING,
New York, July 23, 1921.

MARINE OFFICE OF AMERICA,
53 Beaver Street, New York.

DEAR SIRS: I duly received your letter of yesterday's date, and in reply have to advise you that the statement that the British Board of Trade freeboard regulations apply only to vessels sailing from or to the United Kingdom, and that on other voyages between foreign ports a British steamer is not required to comply with the regulations and may load below the marks which are placed on the vessel s sides, is incorrect.

If you will refer to the merchant shipping act of 1894, sections 437 to 442, you will find that every British ship above 80 tons register is required to be marked in accordance with the freeboard rules and regulations, that it is an offense to submerge the center of the disk or the other lines indicating the legal load line, that the master of the ship is required to enter a statement of the freeboard markings on the sides in the agreement with the crew; and, further, that in accordance with subsection 5 of article 440, it is obligatory for the captain or owner of the vessel to retain the markings on the sides indicating the correct load line properly marked until the ship returns to a port of discharge in the United Kingdom.

In regard to a voyage from a port such as New York to South America, it is necessary before the vessel can be cleared for the captain to obtain clearance papers from the British consul, and this, in our opinion, would insure that the ship was not improperly loaded, otherwise the clearance papers would be withheld.

Yours, very truly,

S. R. DAVIES, *Acting Secretary.*

(The following papers were submitted for incorporation in the record by Hon. George W. Edmonds, acting chairman:)

PIER 75, NORTH WHARVES,
Philadelphia, Pa., July 13, 1921.

Hon. WILLIAM S. GREENE, M. C.,
Chairman House Committee on Merchant Marine and Fisheries,
House Office Building, Washington, D. C.

DEAR SIR: In connection with House bill 3708, "load-line legislation," hearing for which will be held July 14, at a meeting of our board held in New York City July 12, the inclosed resolution was adopted, and we trust that you will give it due consideration.

We know of no one who comes from the district upon which depends for its supply of coal for transportation in barges and schooners, or known as coatwise vessels, and we feel that it is placing an undue hardship on this type of vessels if your committee does not consider the amendment to eliminate vessels of this type.

We are frank to admit that it is beneficial to all vessels trading to foreign ports, who are traversing away from harbors of safety, an extra freeboard vessel, in order to keep the vessel afloat as long as possible in event of leaking. However, in the case

of coastwise vessels trading along our coast, in the event of springing a leak, they are invariably close to harbors of safety, thereby eliminating the dangers of foundering at sea.

Hoping your committee will give this due consideration and amend the bill accordingly, with kindest regards to you and your committee, I remain,

Very truly, yours,

W. E. BERNARD,
Chairman Legislative Committee.

At a meeting of the legislative committee of the National Board of Steam Navigation, held in New York City on July 12, 1921, consideration was given to House bill 3708, "load-line legislation," and the following was resolved:

That this board was in favor of the "load-line" bill (H. R. 3708), considering that same was beneficial to life and property on vessels of foreign voyage, but that an amendment should be made to the bill the same as was suggested by the Department of Commerce in bill of the same type presented in Congress last year, to effect that same should eliminate all vessels and barges engaged in coastwise trade; whereas vessels plying to foreign ports have no harbors of safety to enter, vessels plying in coastwise trade are adjacent to such harbors of safety.

We ask that your committee consider the amendment to apply to this bill. Trusting you will give same this consideration, we remain,

Very truly, yours,

W. G. BERNARD,
Chairman Legislative Committee.

ATLANTIC CITY, N. J., *July 14, 1921.*

Hon. GEORGE W. EDMONDS,
Merchant Marine and Fisheries Committee,
House of Representatives, Washington, D. C.:

Expected attend hearing load-line bill to-morrow, but sudden severe illness Saturday last still confines me to bed. Please present to committee following view directors of Philadelphia Bourse, an organization of over 2,500 business men, firms, and corporations having as one of its objects the advancement of the commercial interests of the city, State, and Nation, always have and still favor passage of load line legislation, believing it is necessary for successful operation American merchant marine as laws for safety of seamen, American inspection, and insurance, and other legislation regarding shipping already passed or pending. If American shipping is to remain a factor in foreign trade, we must pursue similar reasonable courses that have made for permanent success for other nations, the ship, her cargo, her crews, her passengers should have the protection given by the principles of the load-line bill. I trust committee will report favorably and sincerely regret not being personally present.

EMIL P. ALBRECHT,
President Philadelphia Bourse.

PHILADELPHIA, PA., *July 12, 1921.*

Hon. WM. S. GREENE,
Chairman Committee on Merchant Marine and Fisheries,
House of Representatives, Washington, D. C.

The Philadelphia Maritime Exchange desires to record with your honorable committee its approval of the enactment of legislation for the establishment of vessel load lines, and recommends that the administration of the law be placed with the Secretary of Commerce.

THE PHILADELPHIA MARITIME EXCHANGE,
J. S. W. HOLTON, *President.*

DEPARTMENT OF FOREIGN AFFAIRS,
TOKYO, *April 1, 1921.*

MONSIEUR LE CHARGÉ D'AFFAIRES: I have the honor to inform you that the Imperial Government have enacted "the ship load line law" promulgating it through the Official Gazette of the 9th ultimo, and to state also that this law is applicable to foreign vessels coming into Japanese ports. This law has been enacted with a view

to making it substantially the same as the British load-line legislation, and in article 11 it is specially provided that the law and rules of the foreign countries analogous to this law may be reciprocally recognized.

Further, in view of the fact that the said law is expected to be in operation before many months, at the latest, it will be to our mutual advantage that your Government are advised of it previously, and I take the present opportunity to communicate to you the above fact.

Trusting that you will be so kind as to transmit to your Government a copy of English translation of the law in question, herewith inclosed, I beg you, Monsieur le Chargé d'Affaires, to accept the renewed assurances of my high consideration.

COUNT KASUYA USHIDA,
Minister for Foreign Affairs.

EDWARD BELL, Esq.,
Chargé d'Affaires, of the United States of America.

TRANSLATION OF THE SHIP LOAD-LINE LAW OF THE JAPANESE GOVERNMENT—LAW NO. 2 OF MARCH 8, 1921.

ARTICLE 1. All Japanese vessels shall have their load line assigned and marked under this law, except the following:

(1) Vessels mentioned in all the paragraphs of article 1 of the ship inspection law.

(2) Vessels employed solely within the small coasting limit of the smooth water limit.

(3) Sailing vessels under 100 tons gross and employed solely within the large coasting limit.

(4) Vessels employed solely in fishing, towing, salvage, dredging, or hydrographic purposes, and to those especially exempted by the competent minister of state.

ART. 2. Except in cases specially provided for by the competent minister of state, a vessel shall have her load line assigned and marked when she is proceeding to sea for the first time as a vessel required to have the load line under this law. A vessel which is to be built in the place where this law is in force may have her load line assigned during construction.

ART. 3. Except in cases specially provided for by the competent minister of state, the load line shall be assigned by the local marine authorities having jurisdiction over the place where she is.

ART. 4. When a vessel has had her load line assigned and marked, a load-line certificate shall be issued to that effect.

ART. 5. Except in cases specially provided for by the competent minister of state, a vessel for which the load line has been marked under this law shall not proceed to sea with a draft submerging that load line.

ART. 6. The load-line mark shall not be concealed, altered, or obliterated, except for the purpose of escaping capture by an enemy or other reasonable causes.

ART. 7. An official inspector is empowered to enter a vessel at any time for inspection, or to detain her from proceeding to sea, if he has reason to believe that she is violating this law.

ART. 8. The necessary rules for assigning and marking the load line, and the fees to be charged, shall be regulated by the competent minister of state.

ART. 9. A load line certificate issued in accordance with this law and with rules under this law to a corporation or association for the surveys and registry of shipping approved by the competent minister of state, together with the corresponding load line mark, shall be recognized as equivalent to that issued and marked respectively under this law.

ART. 10. This law shall be applicable to vessels other than Japanese vessels being in the port within the jurisdiction of this law.

ART. 11. When the load line law and rules of a country to which the vessel in question in the preceding article belongs are considered appropriate by the competent minister of state, the load line certificate issued under that law and rules, and the corresponding load line mark, shall be recognized as equivalent to that issued and marked respectively under this law.

The provisions of the preceding paragraph shall not apply to vessels belonging to a foreign country which does not recognize the validity of the load line certificate issued under this law and the corresponding load line mark.

ART. 12. Except in cases specially provided for by the competent minister of state, if a vessel is employed at sea without a load line certificate, or proceeds or attempts to proceed to sea with the load line mark submerged, the master of the vessel or a person acting for him shall be liable to a fine of not less than 100 yen, but not exceeding 2,000 yen.

Any person who, contrary to the provision of article 6, conceals, alters, or obliterates the load line mark, shall be liable to the fine prescribed in the preceding paragraph.

ART. 13. Any person who has obtained a load line certificate by fradulent or improper means shall be liable to imprisonment for a period not exceeding one year, or to a fine not exceeding 1,000 yen.

The provisions of the preceding paragraph shall also apply to a person who has violated the provisions contained therein outside the bounds of the Empire.

ART. 14. Any person who resists or impedes the inspection of the official inspection or violates the order detaining the vessel shall be liable to a fine not exceeding 1,000 yen.

SUPPLEMENTARY RULES.

ART. 15. The date of enforcement of this law shall be fixed by the imperial ordinance.

ART. 16. Japanese vessels holding at the time of the enforcement of this law a load-line certificate issued by a corporation or association for the survey and registry of shipping approved by the competent minister of state, and having the corresponding load-line mark, shall be recognized as having the load-line certificate under this law and the mark corresponding thereto.

The provisions of the preceding paragraph shall be applicable to any vessel other than a Japanese vessel which may be in a port within the jurisdiction of this law at the time of enforcement of this law, so long as she remains in that port.

ART. 17. For Japanese vessels not coming within the provisions of the first paragraph of the preceding article, this law shall not be applied until the load-line is assigned in accordance with the regulations provided for by the competent minister of state.

COMPULSORY MARKING OF THE LOAD LINE.

[Extract from report of British Load Line Committee, December, 1915.]

6. The first statutory obligation to mark a load line on the sides of a vessel was contained in the merchant shipping act, 1875. This act was the outcome of the agitation against the alleged unseaworthiness of ships, with which agitation the name of the late Mr. Samuel Plimsoll was so closely associated; and the circular disk, with a horizontal line drawn through its center, which is the statutory mark, has ever since been commonly referred to as the "Plimsoll mark."

7. The merchant shipping act, 1875, was only to remain in force one year, and under it the compulsory marking of a load line only applied to foreign-going vessels. Accordingly, in 1876, a further act was passed which required the owners to place the statutory mark upon every British ship except those under 80 tons register employed solely in the coasting trade, ships employed solely in fishing, and pleasure yachts. This mark was to indicate the maximum load line in salt water to which the owner intended to load the ship for the voyage upon which she was about to proceed.

8. It is to be observed that, although the mark was a statutory mark, its position on the sides of a vessel was determined by the owner, and it was permissible for him to alter the position at the commencement of any voyage from a port in the United Kingdom. When, however, the disk had been marked on the sides of a vessel, any owner or master of a vessel who allowed the ship to be so loaded as to submerge in salt water the center of the disk was liable to a penalty not exceeding £100.

9. These provisions of the law respecting the compulsory marking of the load line remained in operation without alteration until the year 1890, in which year the law was amended. To properly understand the alteration which was made in that year it is necessary to refer to the merchant shipping act, 1873, under which the board of trade was empowered to detain overladen ships. In attempting to use this power, the board of trade found it necessary to prepare tables of freeboard for the guidance of their surveyors.

10. These tables of freeboard were not published until 1882, and later in the same year Lloyd's Register of Shipping also issued tables of freeboard based upon principles which were afterwards adopted by the first load-line committee, which was appointed by the board of trade in December, 1883. This committee reported in August, 1885, that it was practicable to frame general rules concerning freeboard which would prevent overloading without unduly interfering with trade, and submitted tables of freeboard giving the maximum loading which could be permitted with safety in cargo-carrying vessels. These tables were adopted by the board of

trade, and on the voluntary application of shipowners the board of trade and Lloyd's Register of Shipping assigned load lines to vessels in accordance with the tables.

11. For nearly five years the tables of freeboard were administered in this way by the board of trade and Lloyd's Register of Shipping without any statutory obligation requiring shipowners to have their vessels marked with load lines in accordance with the tables. The application of the tables was, however, accepted, and in 1890 the merchant shipping (load line) act was passed making it compulsory for the position of the load-line disk to be fixed in accordance with the tables of freeboard used by the board of trade at the time of the passing of the act.

12. By the same act the board of trade was empowered to appoint Lloyd's Register of Shipping, and any other corporation or association for the survey and registry of shipping approved by the board of trade, to approve and certify on their behalf the position of any disk indicating the load line and any alteration thereof; and, accordingly, Lloyd's Register of Shipping, Bureau Veritas, and the British Corporation for the Survey and Registry of Shipping were appointed for those purposes. These authorities, in conjunction with the board of trade, have continuously from that time performed the duty of assigning load lines to vessels in accordance with the law, and the load line assigned under the tables of freeboard to any particular ship depends, among other considerations, upon the quality and condition of the vessel at the time the assignment is made.

13. The load-line committee in recommending in 1885 the tables of free-board which were afterwards adopted by the board of trade anticipated the necessity for subsequent modification of the tables. The following statement appeared in their report:

"We are of opinion that these tables can be adopted at least for all existing types of cargo vessels and for some years to come without the exercise of any other discretion on the part of the officers who have to see that they are complied with than that which concerns the quality and condition of the ship. To the responsible authorities a large discretion must be allowed, viz, that of applying the tables themselves with reasonable modifications to any very exceptional vessels which may now exist or may hereafter be constructed.

"For careful as we have been to give full considerations to all actual types and sizes of vessels, we can not but admit that undue interference with trade might occasionally arise were the tables to be applied henceforth to all ships, present and future, without any exception whatever. We are well aware that the discretion which we thus regard as necessary is such as should be exercised with very great skill, care, and judgment; but we see no reason why those charged with the responsible duty of preventing the overloading of merchant ships should not have at their command all needful assistance."

14. When the statutory obligation to mark the position of the load line in accordance with the tables of freeboard was imposed this statement was not overlooked, and provision was made in the merchant shipping (load line) act, 1890, for the board of trade to approve modifications of the tables and the application thereof. It was further enacted that in approving any such modifications the board of trade should have regard to any representations made to them by the authorities appointed to approve and certify the position of the load line.

15. These provisions of the law with respect to the compulsory marking of the load line have remained in operation to the present time, and are now embodied in section 438 and in section 443 of the merchant shipping act, 1894. An extension of the provisions was made by section 7 of the merchant shipping act, 1906, which provided that the exemption of ships under 80 tons register employed solely in the coasting trade from the compulsory marking of a load line should cease so far as respects cargo-carrying steamships.

BRITISH LAW.

437. (1) Every British ship (except ships (a) under 80 tons register, employed solely in the coasting trade (b), ships employed solely in fishing, and pleasure yachts, and ships employed exclusively in trading or going from place to place in any river or inland water the whole or part of which is in any British possession) shall be permanently and conspicuously marked with lines (in this act called deck lines) of not less than 12 inches in length and 1 inch in breadth, painted longitudinally on each side amidship, or as near thereto as is practicable, and indicating the position of each deck which is above water.

(2) The upper edge of each of the deck lines must be level with the upper sides of the deck plank next the waterway at the place of marking.

(3) The deck lines must be white or yellow on a dark ground, or black on a light ground.

(4) In this section the expression "amidships" means the middle of the length of the load water line as measured from the foreside of the stem to the aft side of the sternpost.

438. (1) The owner of every British ship proceeding to sea from a port in the United Kingdom (except ships under 80 tons register employed solely in the coasting trade, ships employed solely in fishing, and pleasure yachts) shall, before the time hereinafter mentioned, mark upon each of her sides, amidships within the meaning of the last preceding section, or as near thereto as is practicable, in white or yellow on a dark ground, or in black on a light ground, a circular disk 12 inches in diameter, with a horizontal line 18 inches in length drawn through its center.

(2) The center of the disk shall be placed at such level as may be approved by the board of trade below the deck line marked under this act and specified in the certificate given thereunder, and shall indicate the maximum load line in salt water to which it shall be lawful to load the ship.

(3) The position of the disk shall be fixed in accordance with the tables used at the time of the passing of this act by the board of trade, subject to such allowance as may be made necessary by any difference between the position of the deck line marked under this act and the position of the line from which freeboard is measured under the said tables, and subject also to such modifications, if any, of the tables and the application thereof as may be approved by the board of trade.

(4) In approving any such modifications the board of trade shall have regard to any representations made to them by any corporation or association for the survey or registry of shipping for the time being appointed or approved by the board of trade, as hereinafter mentioned, for the purpose of approving and certifying the position of the load line, the ship shall be deemed to be an unsafe ship within the meaning of the provisions hereafter contained in this part of this act, and such submersion shall be a reasonable and probable cause for the detention of the ship.

439. If a ship is so loaded as to submerge in salt water the center of the disk indicating the load line, the ship shall be deemed to be an unsafe ship within the meaning of the provisions hereafter contained in this part of this act, and such submersion shall be a reasonable and probable cause for the detention of the ship.

440. (a) (1) Where a ship proceeds on any voyage from a port in the United Kingdom for which the owner is required to enter the ship outward, the disk indicating the load line shall be marked, before so entering her, or, if that is not practicable, as soon afterwards as may be.

(2) The owner of the ship shall upon entering her outward insert in the form of entry a statement in writing of the distance in feet and inches between the center of this disk and the upper edge of each of the deck lines which is above that center, and if default is made in inserting that statement, the ship may be detained.

(3) The master of the ship shall enter a copy of that statement in the agreement with the crew before it is signed by any member of the crew, and a superintendent shall not proceed with the engagement of the crew until that entry is made.

(4) The master of the ship shall also enter a copy of that statement in the official log book.

(5) When a ship to which this section applies has been marked with a disk indicating the load line, she shall be kept so marked, or, if the mark has been altered abroad in accordance with regulations made by the board of trade for the purpose, marked with the mark as so altered, until her next return to a port of discharge in the United Kingdom.

441. (1) Where a ship employed in the coasting trade is required to be marked with the disk indicating the load line, she shall be so marked before the ship proceeds to sea from any port; and the owner shall also once in every 12 months, immediately before the ship proceeds to sea, transmit or deliver to the chief officer of customs of the port of registry of the ship, a statement in writing of the distance in feet and inches between the center of the disk and the upper edge of each of the deck lines which is above that center.

(2) The owner, before the ship proceeds to sea after any renewal or alteration of the disk, shall transmit or deliver to the chief officer of customs of the port of registry of the ship notice in writing of that renewal or alteration, together with such statement in writing as before mentioned of the distance between the center of the disk and the upper edge of each of the deck lines.

(3) If default is made in transmitting or delivering any notice or statement under this section, the owner shall, for each offense, be liable to a fine not exceeding £100.

(4) When a ship to which this section applies has been marked with a disk indicating the load line, she shall be kept so marked until notice is given of an alteration.

442. (1) If any owner or master of a British ship fails without reasonable cause to cause his ship to be marked as by this part of this act required, or to keep her so marked, or allows the ship to be so loaded as to submerge in salt water the center of the disk indicating the load line; or any person conceals, removes, alters, defaces, or obliterates, or suffers any person under his control to conceal, remove, alter, deface, or obliterate any of the said marks, except in the event of the particulars thereby denoted being lawfully altered, or except for the purpose of escaping capture by an enemy, he shall for each offense be liable to a fine not exceeding £100.

(2) If any mark required by this part of this act is in any respect inaccurate, so as to be likely to mislead, the owner of the ship shall for each offense be liable to a fine not exceeding £100.

443. (1) The board of trade shall appoint the committee of Lloyd's Register of British and Foreign Shipping, or at the option of the owner of the ship, any other corporation, or association for the survey or registry of shipping approved by the board of trade, or any officer of the board of trade specially selected by the board for that purpose, to approve and certify on their behalf from time to time the position of any disk indicating the load line and any alteration thereof, and may appoint fees to be taken in respect of any such approval of certificate.

(2) The board of trade may make regulations determining the lines or marks to be used in connection with the disk, in order to indicate the maximum load line under different circumstances and at different seasons, and declaring that this part of this act is to have effect as if any such line were drawn through the center of the disk; and as to the mode in which the disk and the lines or marks to be used in connection therewith are to be marked or affixed on the ship, whether by painting, cutting, or otherwise; and as to the mode of application for, and form of, certificate under this section; and requiring the entry of those certificates and other particulars as to the draft of water and freeboard of the ship, in the official log book of the ship, or other publication thereof on board the ship, and requiring the delivery of copies of those entries.

(3) All such regulations shall, while in force, have effect as if enacted in this act, and if any person fails without reasonable cause to comply with any such regulation made with respect to the entry, publication, or delivery of copies of certificates or other particulars as to the draft of water and freeboard of a ship, he shall for each offense be liable to a fine not exceeding £100.

(4) Where in pursuance of the regulations any such certificate is required to be delivered, a statement in writing as to the disk and deck lines of a ship need not be inserted in the form of entry or transmitted or delivered to a chief officer of customs under the provisions hereinbefore contained.

444. Where the legislature of any British possession by any enactment provides for the fixing, marking, and certifying of load lines on ships registered in that possession, and it appears to Her Majesty the Queen that that enactment is based on the same principles as the provisions of this part of this act relating to load lines, and is equally effective for ascertaining and determining the maximum load lines to which those ships can be safely loaded in salt water, and for giving notice of the load line to persons interested, Her Majesty in council may declare that any load line fixed and marked and any certificate given in pursuance of that enactment shall, with respect to ships so registered, have the same effect as if it had been fixed, marked, or given in pursuance of this part of this act.

445. (1) Where the board of trade certify that the laws and regulations for the time being in force in any foreign country and relating to overloading and improper loading are equally effective with the provisions of this act relating thereto, Her Majesty in council may direct that on proof of a ship of that country having complied with those laws and regulations, she shall not, when in a port of the United Kingdom, be liable to detention for noncompliance with the said provisions of this act, nor shall there arise any liability to any fine or penalty which would otherwise arise for noncompliance with those provisions.

445. (2) *Provided*, That this section shall not apply in the case of ships of any foreign country in which it appears to Her Majesty that corresponding provisions are not extended to British ships.

MERCHANT SHIPPING ACT, 1906.

[Part 1, Safety (a).]

(1) Sections 437 to 443 of the principal act (which relate to load line), except subsections (3) and (4) of section 440, shall after the appointed day apply to all foreign ships while they are within any port in the United Kingdom as they apply to British

ships without prejudice to the power of His Majesty previously to apply those provisions to the ships of any foreign country, if the Government of that country so desire, under section 734 of the principal act; and to any direction of His Majesty in council given under section 445 of the principal act in the case of ships of any foreign country in which the regulations in force relating to overloading and improper loading are equally effective with the provisions of the principal act.

(5) For the purposes of this part of this act the appointed day shall be the 1st day of January, 1909, or such other day, not being more than 12 months later, as the board of trade may appoint; and different days may be appointed for different provisions of this part of this act and for different foreign countries.

(6) The exemption of ships under 80 tons register employed solely in the coasting trade under sections 437 and 438 of the principal act (which relate to the marking of deck lines and load lines) shall cease so far as respects steamships: *Provided*, That the board of trade may except from the provisions of this section any class of steamships so long as they do not carry cargo, and the provisions of this section shall not apply to any steamship belonging to any class so excepted.

AMERICAN BUREAU OF SHIPPING.

NEW YORK, *July 29, 1919.*

Hon. WILLIAM S. GREENE,
Chairman Committee on Merchant Marine and Fisheries,
House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: During my hearing before the subcommittee on marine insurance, on the 16th instant, Mr. Edmonds suggested, in the course of the investigation that he would be pleased to have the views of this bureau concerning the advisability and importance of the enactment of load-line legislation. I, therefore, take pleasure in submitting the following comments thereon for the consideration of your committee:

It is quite surprising that this country has not long ago had laws governing this important factor in the operation of its merchant ships. This, however, is largely attributable to the general apathy concerning merchant-marine affairs and to the logical sequence of our having but few merchant vessels in the foreign trade. Now conditions have so decidedly changed for the better, the matter of load-line fixing becomes one of the most important items of pending legislation.

It is needless to go into the history of load-line fixing or to its vital necessity in the interests of the safety of the lives of passengers and crews, as well as of the cargoes and vessels themselves, as it will suffice to state for present purposes that all great maritime nations have recognized this obligation to their peoples, with the sole exception of our own country.

Prior to our entrance into the war the Secretary of Commerce, having cognizance of such matters, made earnest efforts through a conference of shipbuilders and others affected to crystallize the recognized sentiment as to the necessity of immediate action. The writer was the chairman of a committee appointed at that conference and will here state that the consensus of opinion was then, as now, that legislation should be enacted at the earliest possible time to provide a legalized American load-water line before an international committee was convened on the subject, as recommended at the International Conference on Safety of Life at Sea, held at London in 1913–14. This would put the participation of the United States in such an international committee on a much stronger basis than if, as at present, when no governmental rules for the fixing of load lines are provided by law.

The bill (H. R. 3621) introduced by Representative Alexander, and now pending before your committee, will, so far as legislation is concerned, admirably answer the demands at the present time. This bill is essentially the same as was introduced in the last Congress by Senator Fletcher in the Senate and by Representative Alexander in the House. In approving that bill the Secretary of Commerce said in his letter of October 19, 1918:

"The American Bureau of Shipping occupies in respect to American ships a position analogous to Lloyd's Register of Shipping to British ships, the Bureau Veritas to French ships, and other classification societies toward the ships of other civilized maritime powers, respectively. The bill will enable the Department of Commerce to make use of the American Bureau of Shipping and will incidentally aid in establishing the American Classification Society."

The above quotation quite clearly points out the direct interest this society has in the pending measure. The designation of this bureau to act on behalf of the

Department of Commerce is in keeping with that portion of the British merchant shipping act which directs the Board of Trade to appoint Lloyd's Register of British and Foreign Shipping to act in a similar capacity for British vessels.

Your attention is particularly invited to section 5 of the Alexander bill, which provides reciprocal relation with foreign countries concerning mutual acceptance of load-line fixing. The vital necessity for this section, and for expediency in the passage of the entire bill may best be illustrated by a concrete example furnished by Admiral Bowles, formerly of the Emergency Fleet Corporation, in correspondence which he had with a foreign classification society concerning the marking of load lines of the ships built by the American International Corporation. Copies of this correspondence were furnished officially to Senator Ransdell of the Senate Committee on Commerce and are appended hereto for the information of your committee in considering this proposed load-line legislation.

Briefly you will note that the direct statement is made that it would be of no use for an American classification society to fix load lines on the Hog Island ships, as they would not be recognized abroad; the only alternative suggested was to have the classification society of one of our leading maritime competitors attend to this very important function for us. I am sure that you, as well as the other members of your committee, will agree with the sentiment so tersely expressed by Admiral Bowles that "this is an intolerable situation."

I feel quite sure that your committee will recognize the importance of passing this bill at the earliest opportunity, and on behalf of this bureau I will state that the proposed legislation meets with its hearty approval, and further that so far as our participation as outlined in the bill is concerned, we have the technical talent and resources necessary for a prompt compliance with the law as soon as it may be enacted.

Very truly, yours,

STEVENSON TAYLOR,
President.

[Letter from Admiral Bowles of the Emergency Fleet Corporation to Senator Ransdell.]

OCTOBER 3, 1918.

Senator JOSEPH E. RANSDELL,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I beg to remind you of a conversation relating to the subject of load lines for vessels of the United States engaged in the foreign trade and of your interest in the subject and your willingness to consider it.

Maritime countries, and particularly Great Britain, have given for many years much attention to the subject of load-line regulations, a particularly intricate matter. Conventions have been held for the purpose of establishing international agreements upon this subject, but the United States has no law in existence governing the matter at the present time.

Regulations in force in Great Britain are those of the British Board of Trade, acting under the provisions of the merchant shipping act, 1906. Some vessels of the United States recently built have gone to foreign ports without load-line marking and have been detained for noncompliance with the local laws. At the present time the only agents whose load-line marks are recognized in the British possessions and other foreign ports are those of foreign classification societies. When the Fleet Corporation invited the American Bureau of Shipping to establish and mark load lines for the vessels building under their classification and survey a protest was made by Lloyd's Register in a letter addressed to me under date of September 11, 1918, copy of which is attached. I trust you will agree with me that this is an intolerable situation. The only means we have of establishing load lines are through the agency of foreign classification societies and in accordance with rules established by the British Board of Trade.

In addition to this situation and of great practical importance is the fact that we have in the ports of the United States no lawful means of enforcing compliance with load lines which may be established. This is a matter of importance to the safety of life and property, for the protection of which these load-line regulations have been established over many years of practice.

For the reasons given I have prepared and respectfully submit for your consideration the draft of a bill which would empower the Secretary of Commerce to establish regulations for vessels of 1,000 gross tons or over, engaged in the foreign trade, and the load lines and marks thereof, beyond which it shall not be lawful to load such ships in salt water.

You will note that the authority granted by this bill does not extend to the coastwise trade nor to inland waterways. These trades so excluded are very difficult to deal with in this matter and should be the subject of careful future investigation.

I hope you will agree with me in the principle of placing upon the Secretary of Commerce the responsibility for the establishment of regulations, rather than to attempt it by legislation, for the reason that from time to time conditions change as new types of vessels are introduced, making the matter one of necessary adjustment from time to time.

If the whole bill meets with your approval, may I suggest that after its introduction and presumable reference to the Committee on Commerce that it be referred to the Shipping Board and the Secretary of Commerce for comment.

I feel that the matter is of immediate necessity, and this legislation should be secured as soon as possible in the interest of the protection of life and property, and particularly as the United States has now such an investment in vessels for the foreign trade.

I am inclosing herewith for your information an extract from the Annual Report to the Commissioner of Navigation for the year 1915, and also extracts from the British merchant shipping act, 1906.

Very truly, yours,

_____,
Assistant General Manager.

LLOYD'S REGISTER OF SHIPPING.

NEW YORK, *September 11, 1918.*

ADMIRAL BOWLES,
United States Shipping Board Emergency Fleet Corporation,
Philadelphia, Pa.

DEAR SIR: I am in receipt of your letter of the 10th instant and note that you have referred the whole subject of load lines for the vessels specified in your letter of the 29th instant to the home office for instructions, but that you have arranged with your representatives at Hog Island and the Merchant Shipbuilding Corporation to make application to the American Bureau of Shipping for the assignment of load lines in the case of the *Quistconck*, *Watonwan*, and *Sacarappa*.

The case of the *Quistconck* freeboard has already been dealt with by the society, and a preliminary freeboard has already been assigned, while in the case of the *Watonwan* this vessel has been measured, the final freeboard established, and the necessary instructions as to the marking of the ship issued from this office on the 24th August last.

Your action in now making application for freeboard assignment to these vessels to the American bureau is accordingly not clearly understood.

As you are aware, freeboards are a matter in which the maritime countries of the world have established international agreements whereby the load lines assigned by the recognized assigning authorities in the several countries are reciprocally accepted for vessels trading to or from the ports of the countries in question.

The American Bureau of Shipping has not been recognized as an assigning authority by any of the maritime governments, and, as far as I am aware, the freeboard which might be assigned and marked on vessels' sides by that body would not be accepted as legally defining the line to which these vessels would be permitted to load.

Presuming that the load lines determined by the American Bureau of Shipping are to be based on the British Board of Trade tables, it must be apparent that in the absence of this country having established legislation controlling the loading of ships, and in the absence of the agreement referred to above that vessels bearing load-line marks other than those of a recognized assigning authority, would most certainly be liable to serious detention in foreign ports.

It is therefore considered that the interest of the Shipping Board would be best served if the assignment of load lines to the vessels for which application has been recently made by you were left entirely to this society, and it is further suggested that in view of the far-reaching experience which this society has in this particular work that where load lines are required for vessels now being constructed for the Emergency Fleet Corporation that application should be made to this society irrespective of the classification to which these vessels have been allocated.

The advantage to the Emergency Fleet Corporation of having the minimum freeboards permissible under the tables now in force granted the various vessels of the fleet must, I feel sure, be appreciated by you, and I can assure you the services of the society's technical staff are available to you for this purpose.

I may add that according to the rulings which have been laid down in connection with the assignment of load lines, and which are recognized and accepted, applica-

tions for assignment must be confined to one and one only of the recognized authorities, and the suggestion made in your letter of the 29th ultimo as to the American Bureau of Shipping and this society agreeing on load lines to be assigned in each case, is one which the established regulations preclude this society taking any action upon apart from the consideration that the American bureau, to the best of my knowledge, has no status in the matter of freeboard assignment.

I am inclosing copy of the official form of application and would direct your attention to the paragraph which I have marked and to which reference has been made in the preceding paragraph.

Yours, very truly,

R. P. HUTCHINSON, *Secretary.*

(Extract from hearing on House bill 3621, before Committee on the Merchant Marine and Fisheries, Oct. 1, 1919:)

MR. ALEXANDER. This is drawn, too, with very great care.

Commander TAYLOR. Now, I trust I have given you the information you would like to have about the American Bureau of Shipping, construction, and so on.

May I now go to another subject? In 1916 Secretary of Commerce Redfield invited a number of gentlemen from all parts of the United States to come to his office and discuss the question of bulkheads and load lines. There was a very large representation of the interests involved not only from the Atlantic coast but from the Gulf, the Lakes, and from the Pacific coast, with the result that a committee was appointed to report on the subject of bulkheads and load lines, and particularly on the load lines. On January 26, 1917, a report of progress was made, and, if you please, I will read that, because it covers some of the ground that has just been gone over and eliminates some of the ground that has been gone over:

"Article 1.—Sea-going ships:

"(1) As the question of determining the proper load line for various types of ocean-going vessels has been the subject of an exhaustive investigation conducted by the British authorities, and,

"(2) As it appears unnecessary to repeat the same work in this country; and

"(3) As the United States is already a member of an internal congress upon this subject, which would have met before this time but for the present war in Europe; and

"(4) As it is generally conceded in maritime circles that the present load lines as established by the British practice in general render the vessels safe and seaworthy, your committee therefore recommends that—

"(1) The United States adopt a method for the determination for freeboard of ocean-going vessels which will give, in general, the same load line as that established by the present British practice, this method to remain in force until such time as an international commission shall be called to establish an international load line."

Mr. Chamberlain has referred to the establishment of a load line following the Plimsoll mark established in 1906. That was incorrect; it was mandatory in 1909. At the international convention on safety of life at sea the British load line committee was formed to amend their rules for establishing a load line. That committee did not report until 1915, when a full report was made; but owing to the conditions of the war and other conditions, the matter was laid on the shelf for the time being and the 1909 rules were held in force, and they are in force to-day. But it is generally understood that the 1915 rules, when adopted, will be more strict than the 1909 rules; in other words, they will increase the freeboard.

"(2) As British tables at present in use are recognized as being somewhat cumbersome, they would need some revision in order to conform to the present-day American practice in shipbuilding.

"Article 11—Coastwise, Lake, Bay, and Sound Vessels:

(1) As vessels engaged in the coastwise, lake, bay, and sound trade are not only operating under different conditions but are in most cases of a different type of construction when compared with ocean-going types; and

"(2) As any set of freeboard tables based upon ocean-going types would be inapplicable to such vessels; and

"(3) As the preparation of such rules and tables would involve a thorough and exhaustive examination of existing vessels in order to establish what may be called the American practice in loading and operating such vessels; and

"(4) As proper, just, and safe load lines can be established only after such an investigation has been made and the results carefully analyzed by proper scientific methods; and

"(5) As such an investigation will necessarily take some time and involve considerable expense, the committee therefore recommends that—

"(1) The present committee be continued to conduct such an investigation and that the Shipping Board be requested to appoint one or more of their number to sit with the committee in their deliberations.

"(2) That a fund be established to take care of the necessary expenses involved in such an investigation.

"(3) That owing to the importance which your committee attaches to such an investigation, if it be deemed improper for the board to apply any of its funds for this purpose, that the committee be authorized to take such steps as are necessary to raise such funds."

We asked from the Shipping Board $25,000 to carry out that investigation of the local conditions around the United States. That finally got up to the Shipping Board in February and, of course, as you all know, we immediately commenced to be exceedingly busy in other directions, and this matter, like the 1915 rules in Great Britain, was laid on the shelf and is still there.

(The committee thereupon adjourned subject to the call of the chairman.)

MSH 22025

END OF
TITLE